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LEGISLATIVE HISTORY

Public Law 518--79th Congress

Chapter 588--2d Session

H. R. 5452

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TREASURY-POST OFFICE APPROPRIATION ACT, 1947. Provides for transfer of funds from various Agriculture Department agencies for expenses of disbursing funds, clearing checks, servicing bonds, handling collections, and rendering accounts. Continues availability of balances for refunds and payments of processing and related taxes. Requires (under Procurement Division) transfers from other agencies to the Division in connection with transfers of functions to the Division, provides the method of payments to the general supply fund, permits the Division to repair Government typewriters at cost, limits the amount which may be paid for typewriters, provides for the disposal of surplus property, and authorizes field settlement for stock issued by warehouses and the purchase of printing and binding from the Government Printing Office for field-warehouse stocking and issue. Provides for transfers from the Post Office Department to other Government agencies for chemical investigations, etc. Permits the Post Office Department to manufacture small quantities of distinctive equipments required by other departments. Provides for joint telephone switchboard service in post-office buildings serving two or more Government agencies.

Index and Summary of History on H. R. 5452

November 28, 1945	Hearings: House, H. R. 5452. Post Office Dept.
December 10, 1945	Hearings: House, H. R. 5452. Treasury Dept.
February 12, 1946	House Committee on Appropriations reported H. R. 5452. House Report 1554. Committee Prints of the bill and report. Print of the bill as reported.
February 13, 1946	House began debate.
February 14, 1946	Debate concluded. Passed House without amendment. (as reported).
February 15, 1946	Referred to the Senate Committee on Appropriations. Print of the bill as referred.
February 28, 1946	Hearings: Senate, H. R. 5452.
April 18, 1946	Amendment proposed by Senator McCarran. Print of the amendment.
June 8, 1946	Senate Committee reported H. R. 5452 with amendments. Senate Report 1432. Print of the bill as reported.
June 15, 1946	Amendments proposed by Senator McCarran. Prints of the amendments.
June 18, 1946	Amendments proposed by Senator McCarran. Prints of the amendments.
June 21, 1946	Debated and passed Senate with amendments. Senate Conferees appointed. Print of the bill with the Senate amendments numbered.
June 25, 1946	House Conferees appointed.
July 8, 1946	House received Conference Report. House Report 2466.
July 9, 1946	House agreed to Conference Report and acted on items in disagreement.
July 10, 1946	Senate agreed to Conference Report and acted on items in disagreement. Senate Conferees appointed for further Conference.
July 11, 1946	House gave further consideration to Senate amendments.
July 12, 1946	Senate gave further consideration to amendment in disagreement and insisted on further Conference.

July 13, 1946 House appointed Conferees for further Conference.

July 19, 1946 House and Senate received 2d Conference Report.
House Report 2577. Both Houses agreed to 2d
Conference Report.

July 20, 1946 Approved. Public Law 518.

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued February 13, 1946, for actions of Tuesday, February 12, 1946)

(For staff of the Department only)

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HIGHLIGHTS. House agreed to Senate amendment to appropriation-rescissions bill (same as vetoed bill so far as USDA is concerned). House committee reported urgent deficiency (items for OPA, ODT, and CPA) and Treasury-Post Office appropriation bills.

HOUSE

1. APPROPRIATION-RESCISSIONS BILL. Agreed to Senate amendment to this bill, H. R. 5158 (p. 1269), which is the same as the vetoed bill so far as this Department is concerned. This bill will now be sent to the President.

2. TREASURY-POST OFFICE APPROPRIATION BILL, 1947. The Appropriations Committee reported this bill H.R. 5452 (H.Rept. 1554) pp. 1261, 1263, 1278).

This bill includes provisions as follows:

Appropriates funds for the Treasury and Post Office Departments.

Provides for transfer of funds from various USDA agencies for expenses of disbursing funds, clearing checks, servicing bonds, handling collections and rendering accounts.

Continues availability of balances for refunds and payments of processing and related taxes.

Under Procurement Division: Requires transfers of funds from other agencies to this Division in connection with transfers of functions to the Division. Provides the method of payments to the general supply fund. Authorizes field settlement for stock issue by warehouses and purchase of printing and binding from GPO for field-warehouse stocking and issue. Permits the Division to repair Government typewriters at cost. Limits the amounts which may be paid for typewriters.

Provides for transfers from the Post Office Department to other Government agencies for chemical investigations, etc.

Permits the Post Office Department to manufacture small quantities of distinctive equipments required by other Departments.

Provides for joint telephone switchboard service in post-office buildings serving two or more Government agencies.

(The above provisions were carried in the 1946 Act.)

Excerpts from the committee report:

Penalty Mail Act: "The committee has found it extremely difficult to judge accurately the amounts which should be appropriated for the cost of handling mail under this Act. The act covers all types of mail whether it be the distribution of documents and other informational material or regular business correspondence. This latter item is the largest part of the mail of many agencies - such as the Bureau of Internal Revenue - and it is almost impossible to forecast the volume of such mail. The committee is in full accord with the objectives of the Penalty Mail Act, i.e., the reduction in volume of mail dispatched by Government agencies and the attendant cost, and has studiously endeavored to ascertain whether the act can be said to have achieved such results. Officials of the Post Office Department have indicated that it is their belief that the act has resulted in a reduction of 287,000,000 in the number of pieces of mail handled for the fiscal year 1945 as compared with the volume for 1944 with a resultant reduction of \$4,300,000 in the cost of handling.

"The reduction of 287,000,000 in the number of pieces and of \$4,300,000 in the estimated cost of handling penalty mail as reported by the Post Office Department and the assumption that such reduction is attributable to the Penalty Mail Act are not necessarily substantiated for the following reasons:

"1. The estimated reduction in cost is based on total mailings, which include the mailings of the War Department, Navy Department, and Post Office Department, none of which is under the provisions of the penalty-mail law. The mailings of these exempt agencies approximate 40 percent of the total.

"2. Furthermore, the figures for 1945 for those agencies covered by the penalty-mail law (Public Law 364) are on a basis different from that for 1944 in that the 1945 figures are those furnished to the Post Office Department by the agencies based upon inventories and procurements during the year; whereas, the 1944 figure is that obtained through the cost-ascertainment procedure of the Post Office Department. Had the cost-ascertainment figures for both years been used, the reduction in the estimated cost would have been only \$2,277,494.25 for 151, 832,950 pieces.

"Other agencies of the Government which have been contacted by the committee have stated that there is no relation between the reduction in volume of their mail and the provisions of Public Law 364. Wherever reductions have occurred they are explained by circumstances entirely aside from the Penalty Mail Act.

"It is of interest to note, in the table submitted by the Post Office Department comparing the mailings for the first quarter of the fiscal year 1946 with the first quarter of the fiscal year 1945 that there has been a decrease in mailings by those agencies exempt from the penalty-mail law and an increase in mailings by those agencies covered by Public Law 364.

"The so-called reduction in cost is only a theoretical saving. While the officials of the Post Office Department contend that there has been a reduction, they are unable to translate such reduction into an outright savings which can be reflected in a reduction of the amounts appropriated for the postal service.

"There is also to be considered the amount which it costs each agency of the Government to maintain the records, make reports, and do all the other necessary work connected with administering the act, said to total nearly \$500,000 in the case of the Department of Agriculture alone. No additional personnel has been provided for the purpose but it has been necessary to divert personnel from other needed activity to these tasks.

"The two classes of material which should be controlled are printed documents and mimeographed or duplicated matter."

"Printing, other than for the armed services, is now very closely restricted through appropriation limitations, but there is no direct control at the source over mimeographing, multilithing, and other types of duplicating which probably are the greatest producers of penalty-mail material. It might be that better results would ensue from rigid regulation of output of all matter intended for the mails, however produced, than the control procedures now in operation.

"The costs of mimeographing, etc., are now paid out of appropriations for salaries and expenses, and involve expenditures for personal services, supplies, and equipment both in Washington and in field establishments. On account of the diversity of types of expenditures involved, appropriation limitations are not as readily applied to such items as to printing and binding, but the committee believes that budgetary restrictions can be imposed which will effectively control the quantity of such matter and automatically keep from the mails unnecessary material, and has requested the Bureau of the Budget to make a thorough study of the situation and to make recommendations as to steps which might be taken to achieve the real intent of the penalty-mail law."

1. URGENT-DEFICIENCY APPROPRIATION BILL. The Appropriations Committee reported this bill, H.R. 5458 (H.Rept. 1556), which contains funds for OPA, ODT, and CPA (pp. 1269, 1278).
2. WILDLIFE CONSERVATION. The Agriculture Committee reported without amendment H.R. 4362, to abolish the Parker River National Wildlife Refuge in Essex County, Mass., and to authorize restoration to the former owners of the land comprising such refuge (H.Rept. 1555) (p. 1278).
3. PUBLIC LANDS. The Public Lands Committee reported without amendment H.R. 2593, relating to the administrative jurisdiction of certain public lands in Oreg. (H.Rept. 1564) (p. 1278).
4. FLOUR PRODUCTION. Rep. Vursell, Ill., urged careful consideration of the present wheat and flour situation and its effect on flour production and included two milling companies' letters on the subject (p. 1266).
5. FLOOD CONTROL. Rep. Stewart, Okla., criticized proposed flood-control dams on the Kiamichi and Boggy Rivers as detrimental to farm lands, and included a Southeastern Oklahoman editorial on the subject (pp. 1261-2).
6. HOUSING. Rep. Patman, Tex., spoke supporting housing prices as provided for in his new housing bill (H.R. 4761) (p. 1264). Agreed to his request to file additional views on this bill (p. 1268).
7. CENTRAL VALLEY PROJECT. Rep. Miller, Calif., urged publicly-owned transmission lines for this project (pp. 1269-71).
8. COLUMBIA RIVER PROJECT. Rep. Horan, Wash., commended accomplishments under this and the Bonneville Power projects and included a summary of pay-out schedules (pp. 1275-8).
9. APPROPRIATIONS. Received from the President 1946 supplemental appropriation estimates of \$28,000 for the Budget Bureau (H. Doc. 463) (p. 1278).

SENATE

NOT IN SESSION. Next meeting Wed., Feb. 13.

BILLS INTRODUCED

12. HOUSING; VETERANS. H.R. 5455, by Rep. Lanham, Tex., to amend Sec. 502 of "An act to expedite the provision of housing in connection with national defense, and for other purposes", so as to authorize the appropriation of funds necessary to provide an additional 100,000 temporary housing units for distressed families of servicemen and for veterans and their families. To Public Buildings and Grounds Committee. (p. 1279.)
13. FOREIGN RELIEF. H. Con. Res. 127, by Rep. Smith, Wis., expressing the sense of Congress with respect to the relief of distress in foreign countries. To Foreign Affairs Committee. (p. 1279.)

ITEMS IN APPENDIX

14. WHEAT SITUATION. Rep. Carlson, Kans., inserted a National Federation of Grain Cooperatives letter criticizing the wheat and feed situation (pp. A712-3).
15. PRICE CONTROLS. Rep. Buffett, Nebr., inserted his correspondence with Chester Bowles, in which Rep. Buffett favored liquidation of OPA and Mr. Bowles favored continuation of price controls until production permits lifting them without inflation (pp. A722-3).
16. FLOOD CONTROL. Rep. Brooks, La., inserted his address explaining the Red River Valley (La.) flood-control plan (pp. A725-6).
17. ST. LAWRENCE SEAWAY. Rep. White, Idaho, inserted a Brotherhood of Locomotive Firemen and Enginemen's resolution opposing this project and his reply questioning the provisions of the resolution (pp. A720-1).
18. HOUSING. Rep. Davis, Tenn., inserted a U.S. Conference of Mayors resolution favoring legislation to improve the housing situation, continuation of rent control and hospital-aid legislation (p. A721).

COMMITTEE-HEARINGS ANNOUNCEMENTS for Feb. 13: S. Interstate Commerce, freight-forwarding bill (ex.); S. Atomic Energy; H. Appropriations, Agriculture, deficiency (ex.); H. Agriculture, conservation of wildlife, fish, and game.

For supplemental information and copies of legislative material referred to call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.



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WASHINGTON, TUESDAY, FEBRUARY 12, 1946

No. 23

Senate

The Senate was not in session today. Its next meeting will be held on Wednesday, February 13, 1946, at 12 o'clock meridian.

House of Representatives

TUESDAY, FEBRUARY 12, 1946

The House met at 12 o'clock noon. The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

O Spirit of the living God, whose breath made the world, the tender vine, and the smoking flax, teach us that truth is wisdom and that wisdom is truth. Lead us to follow the example of our Saviour, who was fairer than the children of men, loving righteousness, hating sin, yet loving the sinner.

We wait in sacred silence in memory of the immortal Lincoln, whose great soul sprang out of the loins of the common soil. Neither the call of duty, the sob of grief, nor words of praise can disturb his heavenly repose. His legacy to free government lives in the evolution of the right; it lives in our democratic institutions; it lives in the devotion of womanhood, in the courage of manhood, and in the eager spirit of youthhood. With malice toward none and with charity for all, he preserved our Union; his memory is a nation's heritage. In default of our little understanding, O purge the evil leaven that poisons the arteries of our country, and pour into its veins a new life, rich in health, in unity, and blessings. Through Christ our Saviour. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

EXTENSION OF REMARKS

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. BARRY asked and was given permission to extend his remarks in the RECORD and include an article by George Sokolsky on the FBI.

Mr. FLANNAGAN asked and was given permission to extend his remarks in the

RECORD and include excerpts from a letter from a veteran.

Mr. COFFEE asked and was given permission to extend his remarks in the RECORD in three instances and include articles from newspapers, magazines, and letters.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD in three instances and include one on the subject of Abraham Lincoln.

PERMISSION TO ADDRESS THE HOUSE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL

Mr. LUDLOW, from the Committee on Appropriations, reported the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes (Rept. No. 1555), which was read a first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

FLOOD-CONTROL DAMS ON KIAMICHI AND BOGGY RIVERS, CHOCTAW COUNTY, OKLA.

Mr. STEWART. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial from the Southeastern Oklahoman.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. STEWART. Mr. Speaker, this morning I received a copy of the January 24 edition of the Southeastern Oklahoman, a weekly paper of Hugo, Okla., and I read with a great deal of interest the editorial in the left-hand column of the front page written by Hon. Ennis DeWeese, editor of the paper and mayor of the city of Hugo. Mr. DeWeese is analyzing a mass meeting of January 22 where by overwhelming vote the citizens of Choctaw County expressed sentiment against location of flood-control dams on the Kiamichi and Boggy Rivers as has been recommended by the United States Army engineers in an interim report.

Mr. DeWeese points out that as much as 100,000 acres in Choctaw County would be put out of actual and potential production for all time, which would be nearly 20 percent of their total acreage. He further points out that it would raise their ad valorem tax as much as 15 percent.

During the holidays, I secured a map from the Army engineers of these two recommended flood-control projects and submitted it to the writer of this editorial for the purpose of eliciting the sentiment of the people of that area, and as a Member of Congress I want to assure my colleagues that I shall support the position thus taken by my constituents in Choctaw County. The editorial by the able editor is as follows:

A COLUMN OF COMMENT (By E. M. DeWeese)

"I wholly disapprove of what you say but will defend to the death your right to say it." (Voltaire.)

"Honesty and competency require no shield of secrecy." (Woodrow Wilson.)

WE HAVE JUST BEGUN TO FIGHT

Democracy worked at the mass meeting held here Tuesday on the question of downstream locations in Choctaw County of dams on Kiamichi and Boggy Rivers.

It was agreed that the gathering was well representative of the county. The vote was 96 percent in favor of locating the dams upstream where they will protect Kiamichi and Boggy bottom lands so that all of the area may be put into production.

Faint suggestions that holding the mass meeting was a bad idea were silly, to our way of thinking. The dam locations most certainly are the people's business. The people have a right to know and to make up their own minds. If we can't get together and discuss our own problems, we might as well give this country back to the Indians.

We're not against flood control. Quite the opposite. We favor dams, but we favor putting them where they'll do the most good—not the most harm. We're unalterably opposed to putting dams where the engineers recommended in their emergency report—solely for the benefit of the Shreveport area. Not that we blame the Louisiana planters, but we have as good a right to value our bottom lands as they to value theirs.

We can't agree to a plan that would, counting marginal and isolated land as well as flooded areas, put as much as 100,000 acres in Choctaw County out of actual and potential production for all time. That would be nearly 20 percent of our total acreage. It probably would raise the tax rate on remaining property as much as 15 percent.

Why make Choctaw County bottom lands of two streams the dumping ground for water from here into Arkansas and far into Oklahoma? What is our sin that we should be thus crucified?

We want to be helped—not hurt. We want to conserve—not destroy. We need to increase—not decrease our assets.

The engineers have said that they would not force any such project on any community whose people do not want it. Our people have spoken. They do not want the dams as recommended. Now, what say the engineers?

Our Congressmen and Senators are elected to carry out the will of the people. We expect them to go to bat for us—and we expect favorable results.

For, if sentiment shown here Tuesday was any indication, we have just begun to fight.

ABRAHAM LINCOLN

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an address on Abraham Lincoln.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COLE of New York. Mr. Speaker, today marks the anniversary of the birth of one of America's truly great men—a man whose name will always be spoken with reverence and humility so long as Christian emotions course the heart of mankind. Abraham Lincoln, born of obscure American parentage in a rude and humble frontier cabin, moved across the stage of American history but his works and the principles of life and conduct which he personified carried him far beyond the borders of America and his name and memory are honored by freemen everywhere. He is America's contribution to the roster of great mortals who have profoundly affected the dignity of the common man.

So much has been written and spoken of Lincoln during the years intervening since his death that now our utterances

are repetitions of something which has been written or spoken on some previous occasion. Out of the volumes that have been composed in testimony to Lincoln's greatness, none is more touching, more revealing, and more powerful than a memorial address delivered in this House exactly 30 years ago today by a Representative from Illinois, William A. Rodenberg. From the days of my early boyhood, this oration has made a deep and lasting impression and whenever the name of Lincoln is spoken some phrase or some passage from it immediately comes to my mind.

In the present Congress there are but five Members of the House who were privileged to have actually heard Mr. Rodenberg deliver his masterpiece in the first session of the Sixty-fourth Congress in 1916: the gentleman from Illinois [Mr. SABATH], the gentleman from North Carolina [Mr. DOUGHTON], the distinguished gentleman from Texas and present Speaker [Mr. RAYBURN], the gentleman from Texas [Mr. SUMNERS], and the gentleman from Georgia [Mr. VINSON].

In order that this memorable address may be brought to those who are now Members of the House and through these pages to the rest of the country, I am seeking permission to have it contained as a part of my remarks today.

[From the CONGRESSIONAL RECORD of
February 12, 1916]

Mr. RODENBERG. Mr. Speaker, fivescore and seven years ago today the star of destiny shone resplendent over the cradle of an infant boy who, in the years to follow, was to be acclaimed by history as one of America's grandest contributions to the world's heritage of great and noble men. On that day, in a cabin home, amid the hills of Kentucky, Abraham Lincoln was born, and on this anniversary of his birth the memory of that great and Godlike life thrills the soul of every American, giving him an inspiration of true nobility. [Applause.]

Abraham Lincoln! What a flood of mighty memories is awakened by that name. What a glorious panorama of patriotic achievement it presents to view. How it seems to fathom the very depths of duty and devotion, the innermost springs of sympathy and of sorrow. As we pronounce it reverently today the trials and tragedies and triumphs of the Nation's supremest struggle pass again in review before us and, rising above the stress and strife of conflict, grand and majestic, like some tall cliff "that midway leaves the storm," we behold the one great central figure of that epoch of heroism, the one never-failing beacon light of national patriotism—our Lincoln—the world's Lincoln. [Applause.]

As I attempt today to pay tribute to a personality so great a character so grand, so complex, and yet so simple, I am overwhelmed with a sense of my inability to do even partial justice to his name and fame. I shall content myself, therefore, with a brief reference to a few of his great traits of character which I believe have left a profound and lasting impression upon the American mind.

Why is it that no other name in the long roll of distinguished American statesmen stirs the heart of the Nation so deeply as that of Abraham Lincoln? Orators never weary of singing his praise, and hearers never tire of listening. Books on Lincoln multiply each year, and interest in them never flags. Every trivial relic of his homely life, every scrap of his writing, every prophetic saying, every jest, every anecdote, is treasured today by the people and be-

queathed by them "as a rich legacy unto their issue."

It is not enough to say that Lincoln was a wise and patriotic President who died a martyr to a great cause. We have had other wise and devoted Presidents, and he is not the only martyr, but there is only one Lincoln. Washington we reverence, Jackson we admire, Lincoln we love. His memory is enshrined more deeply in the heart of the Nation than that of any other man, and there is none so close as he to the source of tears and of emotion.

This cannot be explained by the fact that Lincoln rose by manly effort from the humblest ranks of backwoods life to the highest position in the gift of any people. It cannot be accounted for by the fact that he was a noble embodiment of that splendid spirit of self-reliance that is bred of generations of lonely struggle under the shadow of the forest primeval. It is not even because signed the great proclamation of emancipation.

These things are a part of the reason for the esteem in which we hold Lincoln, and so are his inexhaustible humor, his tense earnestness, his tireless industry, his honesty and fairness, his courage, and his steadfastness of purpose. His homely and unaffected words and ways had something to do with his popularity, and so had his sturdy common sense. But not all of these sterling traits could make a Lincoln without something additional; nor is the secret revealed by naming what is usually regarded as the crowning trait of his magnificent character—the fact that he always sought the right as God gave him to see the right, and that he devoted his life to a steadfast pursuance of it when once he was convinced he had found it. This will explain much, but it will never explain the flood of tender emotion that wells up from American hearts at mention of his incomparable name.

Mr. Speaker, I believe that the true secret of our love for Lincoln was his own love for his fellow man. [Applause.] In his ungainly, giant form there was a heart of infinite human sympathy, and this it was that illumined all his other traits of greatness and has made the imperishable halo that lingers around his head. [Applause.] Without these he might have achieved greatness, might have become President, might have freed the slaves as a political necessity, might even have brought the war to a successful close, and have fallen a victim to an assassin's bullet, and yet we should not today be speaking of him as we do. It is this one supreme trait of human sympathy that carries his name out of the realm of intellect into that of emotion. [Applause.]

It was this same deep human sympathy that caused Lincoln to hate slavery and to throw all of the power of his logic and eloquence against it. It was this, too, that enabled him to hold that marvelous balance of judgment which could put the Union above all else and could hold back emancipation until the right time. He could put himself in the place of the citizen of the border States and feel that any radical move would imperil the cause of freedom itself. This note of human sympathy sounded forth in his first inaugural; it ran throughout his relations with the soldiers during the great war, and animated his last acts as it had his first. The soldiers fighting on the field and dying in the hospital thought of him, and they said to each other: "He cares. He makes us fight, but he cares"; and they fought on as they never would have fought without that warmth of feeling for the head of the Nation.

Looking at the matter from any aspect and at any period of Lincoln's life, the prime cause of his greatness and of our present reverence for him is the fact that he was human in the best and truest sense of that fine word, and this is reason enough why the Nation loves the name of Abraham Lincoln. [Applause.]

Mr. Speaker, the fast-falling shadows of the past leave few names of men not enshrouded by their gloom. Many of the heroes of today will be lost to sight in the dimness of the approaching twilight. Tomorrow's sun will lighten up new shrines surrounded by tireless hosts of hero worshipers. As we look toward the past, earth's greatest heroes seem in strangest company—Christ and the condemned men, the missionary and the cannibal, Lincoln and the despised black man—there they stand together in the crowd, on Calvary, surrounded by jeering multitudes; but today they are together among the immortals. [Applause.] These saviors of the race will never be forgotten. Lincoln's heart solved more problems than his brain. His very gentleness made him the great emancipator, reconciler, the composite character of the American people. Hope, which is the prophet in every heart, was king and priest besides in his. It ruled his life and consecrated his deeds. Other men turned their backs in despair on the Republic's future; he, through densest darkness, saw with prescient light and gaze the glory of the coming dawn. [Applause.]

In the city of Springfield, in beautiful Oak Ridge Cemetery, he sleeps the sleep of eternity. Many are the times that I have stood with bowed head beside that sacred tomb and thought of the great soul that once inhabited the tenement of clay now moldering into the dust from whence it came. And standing there in the presence of the mighty dead, my faith in humanity has been strengthened and my confidence in the perpetuity of the Republic and its glorious destiny has been made secure. [Applause.]

History tells us that when Robert Bruce, King of Scotland, was dying he asked that his heart be removed from his body and borne by knightly hands to the sacred sepulcher of the Saviour. Upon his death the Earl of Douglas, his trusted friend and companion, removed the heart from the body, placed it in a beautiful golden casket, and, surrounding himself with a number of brave young Scotch warriors, they set out on their holy mission. On the way they were attacked by a large body of Moors, who almost overcame them by force of superior numbers. When defeat seemed almost certain, Douglas took in his hand the sacred casket and hurled it far out into the midst of the enemy, shouting:

"Lead on, heart of Bruce,
We follow thee!"

And the knights of Scotland, never having been defeated when following the leadership of Bruce, took new courage. They rushed upon the enemy with the fury of the whirlwind and gained the day. [Applause.]

Today when those who, unmindful of the spirit that animated the founders of this Republic, would fan the flames of racial fury and kindle into life the dying embers of bigotry and intolerance; when those who, for base and ignoble purposes of self-exploitation, would place the brand of treason upon the brows of men whose loyalty and devotion in the darkest days of the Nation's life were never questioned—today, when the enemies of that broader and better fraternalism, which lies at the very foundation of national peace and national unity, are advancing upon us, the true and loyal citizens of this Republic, of whatever creed or ancestry, catching the inspiration that breathes upon them from the glorious memories of the past, with true American patriotism will take in their hand the great heart of Abraham Lincoln, incase it in their love, and hurl it far out into the midst of the enemy, shouting:

"Lead on, heart of Lincoln,
We follow thee;
We follow thee!"

[Prolonged applause.]

EXTENSION OF REMARKS

Mr. MANSFIELD of Montana asked and was given permission to extend his remarks in the RECORD.

Mr. SABATH asked and was given permission to extend his remarks in the RECORD in two instances and include in one an article from the Chicago Sun and in the other an article entitled "Polish Slavery Laid to Germany."

COMMITTEE ON RULES

Mr. SABATH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SABATH. Mr. Speaker, I expect to call a meeting of the Committee on Rules shortly. I hope a quorum will be present and that a rule will be granted on the Treasury-Post Office appropriation bill, which has in it a provision that might otherwise be subject to a point of order. I have been requested to call a meeting for the purpose of reporting a rule waiving points of order against that provision.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield to the gentleman from Michigan.

Mr. MICHENER. Do I correctly understand that there is to be a special meeting of the Committee on Rules today?

Mr. SABATH. Yes. I expect to call it for 1:30 this afternoon.

Mr. MICHENER. It is to make in order the silver provision in the Treasury-Post Office appropriation bill?

Mr. SABATH. The gentleman is correct.

Mr. MICHENER. It is one of those rules to which my chairman strenuously objects?

Mr. SABATH. Yes, I do, but this is a matter which came up unexpectedly and everybody is in favor of it. I want to do everything to expedite the business of the House and promote orderly procedure. I am willing to call this meeting, and am calling it for 1:30 this afternoon. I hope a quorum will be present.

EXTENSION OF REMARKS

Mr. CARLSON asked and was given permission to extend his remarks in the Appendix of the RECORD and include a copy of a telegram.

Mr. PITTENGER asked and was given permission to extend his remarks in the RECORD in two instances and to include in one an article and in the other an editorial.

LINCOLN

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore (Mr. SPARKMAN). Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I have asked unanimous consent to address the House for 1 minute at this time to read a sonnet written especially for Lincoln's Birthday by Dr. Glen Levin Swiggett,

recognized as one of the great poets and eminent sonnet writers of this day and generation:

LINCOLN

(By Glen Levin Swiggett)

If living now, with the authority
Of thy high office, to disorders and
Division threatening peace of native land
And world as well, what would thine action
be?

But why such question ask, for one can see
From thine achievements what would be thy
stand

Confronting issues that today demand
For their solution moral bravery.

For thou didst ne'er for selfish ends betray
The hope and process of democracy
Or liberty in service of the State;
And true to principle thou gav'st away
Thy life that, under God, men shall be free
Their lives to liberty to dedicate.

FEBRUARY 12, 1946.

THE NATION NEEDS ANOTHER LINCOLN

Mr. ROBERTSON of North Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

Mr. ROBERTSON of North Dakota. Mr. Speaker, today the Nation pauses to pay tribute to the birth of Abraham Lincoln. It is fitting that this occasion should make recognition of this event because Abraham Lincoln was truly an American. Like his noble predecessor, Thomas Jefferson, he reestablished on the continent of America and before the world the principle that men must be free.

As I find my country involved with many questions, I am wondering if it would not be exceedingly fortunate if we could find another Lincoln, and as I utter these words I am not thinking in terms of politics.

So much has been said about the traits of Abraham Lincoln that it ill becomes me to attempt to offer any degree of eulogy in this limited time. I do feel that from the life of Abraham Lincoln we can take a chapter that will fit well into the troubled situation of today.

They tell us he blazed the trail that led to human brotherhood. He, too, said that all men are created equal and he gave to the world its treasured concept of the nobility of man.

Mr. Speaker, as our Nation finds itself involved with troubles from every section of the world, I am concerned to ask this question: Is it not the result of hate and extremes that produces our situation? Take from Lincoln his many attributes and strip them down to the final end, the greatest of them all, and we find it was his compassion for his fellow man. Yes; a great heart of love that has endeared him not alone to Americans but to the civilized world.

As our Nation is torn with strife, as men hate one another, employees hate their employers, I am concerned to ask this question: Are we failing to follow the concepts of Abraham Lincoln? We have heard much in public places that stirs the spirit of man in the direction of class consciousness. This has been going on for a long span of time and all too often

it has an ulterior motive. Yes; men are alleging in public utterances that the common man must triumph.

Mr. Speaker, my story is this: We are all common men, some perchance more common than we think. But if we are going to rise in this reconversion period and give to the world a new day, we shall need not alone the common man but we shall need the compassion of Abraham Lincoln. We shall need the love of Abraham Lincoln as expressed toward one another. Yes, Mr. Speaker, on this birthday of Abraham Lincoln, in this hour of distress among the nations of the world, and particularly in our own Nation, we need another Lincoln.

EXTENSION OF REMARKS

Mr. MCGREGOR asked and was given permission to extend his remarks in the Appendix of the RECORD and include a resolution passed by the City Council of Mansfield, Ohio, by a vote of 7 to 2.

Mr. BLACKNEY asked and was given permission to extend his own remarks in the RECORD and to include certain quotations.

FUEL OIL AND COAL SUPPLY SITUATION IN NEW YORK CITY

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, I read of the chaos in New York City today with the feeling that a great tragedy has come to America in that the business places and all meeting places in New York City are being forced to close because of the shortage in fuel oil and coal supplies created by the tugboat strike. During the debate on the Labor Disputes Act some of my colleagues from New York City said, "Leave us alone, you from South Dakota; let us settle our industrial problems where we know what industry is. Leave it to employer and employee to get together."

The suffering and hardship and dangers in the Nation's great metropolis make a tragic commentary on the words that were uttered by my New York City colleagues during the debate.

What labor and management do, or fail to do, does concern the general public when the dispute involves an industry with vital services to perform for the life of any community. And, as a rancher from my own South Dakota pointedly asked me this morning, "How am I going to handle my crops this year, if the steel strike goes on and I cannot get repairs and parts for my tractor, or a replacement for my 19-year-old binder?" And when he and his fellow farmers find it impossible to maintain the production of food, my friends in New York City will feel the pinch of that, too.

So, I rise to point out that what is happening in New York City today is exactly the thing we hope to avoid by the bill which the House passed last week.

It recognizes the public's stake in these disputes, and says to labor and management alike, "Before you interrupt vital

services, before you actually shut down, give us a chance to have a mediation board step in and see if we cannot work things out. Give us at least 30 days to do that." Such a solution would lessen the likelihood of such situations as prevail in New York City today.

The pity of it seems to be that the tugboat workers are ready to accept arbitration, which is one of the procedures suggested in the so-called Case bill. The only difference is that under the provisions of the bill, arbitration could have been considered without first calling the strike and throwing the life of the Nation's largest city into chaos. Our aim is to try mediation and conciliation and arbitration before the strike comes.

Mr. Speaker, the situation in New York City today is abundant evidence of the public's interest in industrial relations. The Nation can no longer afford to leave to employer and employee the settlement of disputes where substantial public interest is involved.

NEW HOUSING BILL

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore (Mr. SPARKMAN). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the new housing bill (H. R. 4761) has been favorably reported out of the Committee on Banking and Currency with amendments. It is expected to be considered in the House sometime next week, I am advised by the chairman of the committee, the gentleman from Kentucky [Mr. SPENCE].

The principal floor fight left in the bill is the problem involving fixing ceiling prices on existing homes. That question is very much misunderstood. There is no attempt to have appraisers go out and determine the value of existing homes. A very simple formula is set forth in the bill. That is, to let any person sell his home after the law becomes effective, for any price he can get—twice as much as it is worth, ten times as much, or any other price—but that price becomes the fixed price, the maximum price during this emergency, for the next 2 years. I can see why a speculator could have serious objection to it, but I cannot see why owners of existing homes could have any objection to it. I am certainly not calling everyone who opposes the proposal a speculator. Members of Congress who oppose it I concede to be just as sincere in their views as I am in supporting it. The point is it will prevent what happened after the other war—runaway inflation in prices of houses.

I think it will do a lot of good, and I hope the House will pass that amendment.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

EXTENSION OF REMARKS

Mr. BARRY asked and was given permission to extend his remarks in the RECORD and include a statement by the

gentleman from Massachusetts [Mr. McCORMACK].

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a poem on Abraham Lincoln.

Mr. HAYS asked and was given permission to extend his remarks in the Appendix of the RECORD and include certain comments regarding Abraham Lincoln.

Mr. ANGELL asked and was given permission to extend his remarks in the RECORD and include two short editorials.

Mr. DAVIS asked and was given permission to extend his remarks in the RECORD and include two or three resolutions passed by the United States Conference of Mayors.

Mr. LUDLOW asked and was given permission to extend his remarks in the RECORD and include an editorial from the Indianapolis News.

Mr. COLE of New York. Mr. Speaker, I ask unanimous consent that in connection with the remarks already made today I may include an address on the life of Abraham Lincoln, delivered in this House on February 12, 1916, by former Congressman William A. Rodenberg of Illinois.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ABRAHAM LINCOLN

Mr. VOORHIS of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VOORHIS of California. Mr. Speaker, I believe one of the greatest qualities that Abraham Lincoln possessed was his capacity to take a reasonable, defensible, understanding position on a public question, and then to stand on that position resolutely and without flinching no matter how powerful the forces that might be brought against him.

I believe that in our country today it is precisely that quality which we shall need if we are to solve our problems, both domestic and international.

The SPEAKER pro tempore. The time of the gentleman from California has expired.

ABRAHAM LINCOLN, AN HUMBLE AMERICAN WHO MADE DESTINY

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, since coming to Washington as Representative in Congress from the Eighteenth Congressional District of my native State of California, it has been a great inspiration to me to be able to frequently go to the Ford Theater, wherein is the National Lincoln Museum, and wherein

system, built and operated by the Bonneville Power Administration.

These tests are all made under the applicable laws applying to each project for which the administration bears financial responsibility.

The basic figures used in this test report are taken from the allocation cost from the Bonneville Dam project as determined by the Federal Power Commission, in compliance with the act of August 20, 1937. The allocation of costs for the Columbia Basin project has already been presented to Congress as House Document No. 172, Seventy-ninth Congress, first session. The audit which I have previously covered also is the starting point for investment and cost used in the preparation of the schedules.

Revenues from the sale of Grand Coulee and Bonneville power by the Power Administration are required under existing law in the regulations to repay, first, the estimated completed cost of the power component of the Bonneville Dam; second, all of the cost of the Bonneville-Grand Coulee transmission system, representing a current investment of \$82,000,000 and an estimated completed investment that by the end of the repayment period of \$168,000,000; and, third, the \$382,000,000 of the \$506,000,000 estimated ultimate cost of the Columbia Basin project. The Columbia Basin project amount includes \$382,000,000 for irrigation costs to be repaid from power revenues and \$35,000,000 for river regulation benefits to be secured from future downstream hydroelectric plants. The over-all project assumes these downstream benefits until such time as future projects can pick up these costs. Anyone who desires a quick and comprehensive estimate of the situation can secure all the necessary detailed information from table No. 1 of the pay-out test. This table shows that power revenues during the repayment period will amount on a conservative basis to \$1,800,000,000. This table shows that the power revenues over the entire repayment period will provide 93 percent of the total funds required to repay all reimbursable, constructive, and operating cost, including interest, depreciation, and, in addition, will provide a surplus over all costs to the amount of \$160,000,000.

The pay-out study also shows that the present \$17.50 wholesale rate will cover all cost with interest within the 50-year period from the date that such construction costs are incurred. It will be noted from these tables that the allocated costs to other purposes are a very small portion of the total and are far less than the surplus of \$160,000,000. Power revenues are assuming irrigation costs to the extent of \$228,000,000, which is, in fact, a contribution to the Federal Treasury in lieu of taxes. The Administrator has asserted the comment on the pay-out test that full consideration has been given to the cut-backs of war loads to the extent of the actual cut-backs of 500,000 kilowatts during the latter part of 1945.

Columbia River Basin development (Bonneville Power Administration, Bonneville Dam project, and Columbia Basin project)—Summary of pay-out schedules

	Reference		Detail	Subtotal	Total
	Schedule	Column			
1. Power sales revenue of Bonneville Power Administration. ¹	A-1	2			\$1,803,223,279
2. Bonneville Dam project, per schedule B-1:					
3. Operating and maintenance expenses.	B-1	5	\$29,064,256		
4. Interest.	B-1	6	44,584,769		
5. Replacements.	B-1	9	28,261,677		
6. Initial construction costs allocated to power.	B-1	8	58,708,309		
7. Subtotal for Bonneville Dam.	B-1	4		\$160,619,011	
8. Columbia Basin project, per schedules C-1 and C-2:					
9. Operation and maintenance expenses:					
10. Commercial power.	C-2	5	\$141,738,175		
11. Irrigation pumping power.	C-2	19	10,190,476		
Total	C-1	12	151,928,651		
12. Replacements:					
13. Commercial power.	C-2	11	68,057,588		
14. Irrigation pumping power.	C-2	20	4,862,412		
Total	C-1	13	72,920,000		
15. Construction costs, multipurpose allocation to—					
16. Commercial power.	C-2	9	46,844,665		
17. River regulation.	C-2	23	35,519,577		
18. Irrigation.	C-2	24	64,714,758		
Total			² 147,079,000		
19. Construction costs, power plant allocation to—					
20. Commercial power.	C-2	10	71,778,150		
21. Irrigation pumping.	C-2	25	5,819,850		
Total			77,598,000		
22. Construction costs, irrigation works.	C-2	26	280,782,180		
23. Total construction costs (lines 18+21+22).	C-1	14	² 505,459,180		
24. Surplus of payments over requirements included in schedules C-1 and C-2.	C-2	29	3,187,372		
25. Earmarking of 3-percent interest on construction costs allocated to power.	C-2	6	65,850,977		
26. Gross requirements, Columbia Basin project (lines 14+19+23+24+25).			799,346,180		
27. Deduct:					
28. Miscellaneous income of Columbia Basin project.	C-1	9	744,990		
29. Payments by water users for pumping power.	C-1	6	50,500,000		
30. Payments by water users for irrigation works.	C-1	5	87,465,000		
31. Net amount to be applied for the account of the Columbia Basin project from the commercial power revenues of Bonneville Power Administration.	C-1	2		660,636,190	
32. Bonneville Power Administration, per schedule A-1:					
33. Operation and maintenance expenses and miscellaneous items.	A-1	5	866,341,153		
34. Cost of power purchased from non-Federal sources.	A-1	6	1,604,231		
35. Interest expense.	A-1	9	108,013,200		
36. Replacements during over-all repayment period.	A-1	14	237,046,800		
37. Initial construction costs and additions.	A-1	13	168,332,747		
38. Subtotal for Bonneville Power Administration.				881,338,131	
39. Total repayments from Bonneville Power Administration power revenues for all 3 projects.					1,702,593,332
40. Surplus power revenues (simple surplus exclusive of interest accumulation).	A-1	12, 21			160,629,947

¹ Covers the total repayment period of approximately 50 years.

² Exclusive of \$1,000,000 nonreimbursable allocation to navigation.

REVENUES

The revenue estimate included in the pay-out schedules, shows a conservative approach. The total revenues for the fiscal year 1945 was, in round numbers, \$23,000,000. It was estimated that in 1946 it would drop to \$20,500,000, and in 1948 to \$14,000,000, and then will advance until a level of \$25,500,000 annually is reached.

I am in position from my own information to state that the load estimates are conservative. Two of the largest war power consuming units on the power system are located in my district. The Kaiser-Frazer Automobile Co. has now placed a bid with the Reconstruction Finance Corporation to take over these projects and if the bid is accepted in the next 2 weeks, the RFC power revenues not included in the pay-out test will accrue to the extent of around \$3,000,000 per year.

There is another plan which for security reasons I cannot detail, that which is shown in the pay-out test on the cut-back basis. The information I have leads me to believe that this security load will continue on a revenue basis in excess of what is shown in the pay-out test.

The separation of the Federal investment in these projects by purposes can be found on page 17 of the pay-out test.

WAR CONTRIBUTION

All of the power generating units in these cited projects were continuously at an overload during the war period to provide the tools of victory, such as the basic atomic-bomb metal, plutonium, nearly 40 percent of the light metals for the air program and its substantial part of the war, shipping, and ordnance program.

It will be noticed on examination of the pay-out test that no deduction has been made in any of the cost because of war contributions.

CONCLUSION

I feel that through my efforts I have provided the instrumentalities which will demonstrate to this House the full repayment capability of all the Columbia River projects presently constructed. In presenting this information, I am doing so with the earnest hope that every known test would be applied to these exhibits in order that the complete financial stability can be assured.

I wish at this time to compliment the Subcommittee on Interior Appropriations. They are having their hearings now, and I know of no other committee in the whole House of Representatives that is working harder.

This pay-out study which I have just outlined is one of the special jobs they have to consider and understand so that they will know any Budget recommendations for the further development of the Columbia River are based on a sound fiscal policy.

I wish to inform the House that without exception this subcommittee has been most gracious and most generous in granting all the available spare time they have in an attempt to go over these studies and to understand them in every phase. It is this type of hard work, often unheralded and unsung, that makes the work of the entire Congress of true and lasting benefit to the whole

Nation. Their labors reflect credit on all.

The Columbia River will be developed. It is a national asset, and the national interest demands it. It must be done on a sound and fiscal foundation. I feel that credit at this time should go to the Secretary of the Interior and those in his Department who have contributed to this big job. My colleagues from the Pacific Northwest have also shown their interest in this pay-out study, and I am hopeful that we have cleared a barrier and pointed a way for a sound development of one of the last great remaining frontiers of this Nation—last, but in many ways the greatest.

(Mr. HORAN asked and was given permission to revise and extend his remarks.)

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROGERS of New York, from the Committee on Enrolled Bills, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H. J. Res. 316. Joint resolution making an additional appropriation for the fiscal year 1946 for readjustment benefits, Veterans' Administration.

ADJOURNMENT

Mr. HAVENNER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Wednesday, February 13, 1946, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

(Wednesday, February 13, 1946)

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 a. m. on Wednesday, February 13, 1946, in room 304-A Old House Office Building on Wednesday, February 13, 1946, on H. R. 4586, a bill to authorize certain administrative expenditures in government services and for other purposes.

(Thursday, February 14, 1946)

There will be a meeting of the Committee on Expenditures in the Executive Departments at 10 a. m. on Thursday, February 14, 1946, to consider the disposition of surplus property, in room 304-A Old House Office Building.

SECURITIES SUBCOMMITTEE OF THE COMMITTEE ON INTERSTATE COMMERCE

(Thursday, February 14, 1946)

There will be a meeting of the Securities Subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, February 14, 1946, also 2:00 p. m.

Business to be considered: Résumé hearings in its study of operations pursuant to the Public Utility Holding Company Act of 1935.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1055. A communication from the President of the United States, transmitting a draft of a proposed provision pertaining to the Procurement Division, Treasury Department (H. Doc. No. 462); to the Committee on Appropriations and ordered to be printed.

1056. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$28,000 for the Bureau of the Budget (H. Doc. No. 463); to the Committee on Appropriations and ordered to be printed.

1057. A communication from the President of the United States, transmitting a supplemental estimate of appropriation for the fiscal year 1946 in the amount of \$1,000,000, together with drafts of proposed provisions pertaining to existing appropriations, for the Veterans' Administration (H. Doc. No. 464); to the Committee on Appropriations and ordered to be printed.

1058. A letter from the Secretary of State, transmitting a draft of a proposed bill to provide basic authority for the performance of certain functions and activities of the Department of State; to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LUDLOW: Committee on Appropriations. H. R. 5452. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes; with amendments (Rept. No. 1554). Referred to the Committee of the Whole House on the State of the Union.

Mr. FLANNAGAN: Committee on Agriculture. H. R. 4362. A bill to abolish the Parker River National Wildlife Refuge in Essex County, Mass., to authorize and direct the restoration to the former owners of the land comprising such refuge, and for other purposes; without amendment (Rept. No. 1555). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON of Missouri: Committee on Appropriations. H. R. 5458. A bill making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for other purposes; without amendment (Rept. No. 1556). Referred to the Committee of the Whole House on the State of the Union.

Mr. ELLIOTT: Joint Committee on the Disposition of Executive Papers. House Report No. 1557. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. STOCKMAN: Committee on the Public Lands. H. R. 2593. A bill relating to the administrative jurisdiction of certain public lands in the State of Oregon; without amendment (Rept. No. 1564). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 521. Resolution waiving points of order against language under the heading "Bureau of the Mint" in title I of H. R. 5452; without amendment (Rept. No. 1565). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MORRISON: Committee on Claims. S. 543. An act for the relief of Felix Frederickson; without amendment (Rept. No. 1558).

[COMMITTEE PRINT]

NOTICE.—This report is given out subject to release when consideration of the bill which it accompanies has been completed by the whole committee. Please check on such action before release in order to be advised of any changes.

79TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
2d Session } No. 1554

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATION BILL, 1947

FEBRUARY —, 1946.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. LUDLOW, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. —]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947.

The bill embraces regular annual appropriations for these Departments, the estimates for which are to be found: For the Treasury Department, on pages 609 to 645, inclusive, of the Budget; and for the Post Office Department, on pages 565 to 584, inclusive, of the Budget; and in House Document No. 420.

Two statutes, Public Law 106 increasing the salaries of employees of the Government generally and Public Law 134 increasing the salaries of employees of the postal service, have been enacted since the passage of the 1946 Appropriation Act. These two laws, in addition to providing increases in the basic salaries, provided for payment for overtime for all time in excess of a 40-hour workweek. A further provision shortened the waiting period between steps of promotions within grades. All of these factors require appropriations over and above the amounts carried in the regular Treasury-Post Office Appropriation Act for 1946. Estimates for such purposes have been submitted by the Bureau of the Budget in House Document 437 in the

amount of \$213,265,370 for the Post Office Department and \$42,303,400 for the Treasury Department. These two items include cost of overtime pay and acceleration of within-grade promotions as well as the increase in base pay. The Departments were operating on a 44-hour week from the 1st of July until September, at which time the workweek was reduced to 40 hours. The 1947 Budget estimates are predicated on a 40-hour workweek and on the new pay scales. In order to compare the 1947 Budget estimate and the amount carried in the bill with 1946 appropriations it is necessary to include for 1946 the cost of the new enactments as well as pending deficiency items and further deficiencies later to be submitted. Such a comparison of total amounts for the two Departments follows:

	Treasury Department	Post Office Department	Total
Appropriations, 1946.....	\$304, 446, 000	\$1, 058, 570, 005	\$1, 363, 016, 065
Pending deficiency items, including cost of increased compensation.....	60, 101, 400	219, 809, 770	279, 911, 170
Department's estimates of further deficiencies.....	351, 500	25, 673, 225	26, 024, 725
Total, 1946.....	364, 898, 960	1, 304, 053, 000	1, 668, 951, 960
Estimates, 1947.....	335, 978, 000	1, 298, 239, 190	1, 634, 217, 190
Bill, 1947.....	325, 495, 500	1, 279, 061, 440	1, 604, 556, 940
Bill compared with 1946 appropriations, including defi- ciencies.....	-39, 403, 460	-24, 991, 560	-64, 395, 020
Bill compared with 1947 estimates.....	-10, 482, 500	-19, 177, 750	-29, 660, 250

THE PENALTY MAIL ACT

Under Public Law 364 (78th Congress) each agency of the Government is required to deposit into the Treasury an amount equal to the cost of handling the mail of such agency.

The committee has found it extremely difficult to judge accurately the amounts which should be appropriated for this purpose. The act covers all types of mail whether it be the distribution of documents and other informational material or regular business correspondence. This latter item is the largest part of the mail of many agencies—such as the Bureau of Internal Revenue—and it is almost impossible to forecast the volume of such mail. The committee is in full accord with the objectives of the Penalty Mail Act, i. e., the reduction in volume of mail dispatched by Government agencies and the attendant cost, and has studiously endeavored to ascertain whether the act can be said to have achieved such results. Officials of the Post Office Department have indicated that it is their belief that the act has resulted in a reduction of 287,000,000 in the number of pieces of mail handled for the fiscal year 1945 as compared with the volume for 1944 with a resultant reduction of \$4,300,000 in the cost of handling.

The reduction of 287,000,000 in the number of pieces and of \$4,300,000 in the estimated cost of handling penalty mail as reported by the Post Office Department and the assumption that such reduction is attributable to the Penalty Mail Act are not necessarily substantiated for the following reasons:

1. The estimated reduction in cost is based on total mailings, which include the mailings of the War Department, Navy Department, and

Post Office Department, none of which is under the provisions of the penalty-mail law. The mailings of these exempt agencies approximate 40 percent of the total.

2. Furthermore, the figures for 1945 for those agencies covered by the penalty-mail law (Public Law 364) are on a basis different from that for 1944 in that the 1945 figures are those furnished to the Post Office Department by the agencies based upon inventories and procurements during the year; whereas, the 1944 figure is that obtained through the cost-ascertainment procedure of the Post Office Department. Had the cost-ascertainment figures for both years been used, the reduction in the estimated cost would have been only \$2,277,494.25 for 151,832,950 pieces.

The above facts were not pointed out to the committee at the first hearing of Post Office officials on this subject, and the inference then was that the estimated reduction in cost of \$4,300,000 was due primarily if not entirely to the existence of Public Law 364.

Other agencies of the Government which have been contacted by the committee have stated that there is no relation between the reduction in the volume of their mail and the provisions of Public Law 364. Wherever reductions have occurred they are explained by circumstances entirely aside from the Penalty Mail Act.

It is of interest to note, in the table submitted by the Post Office Department comparing the mailings for the first quarter of the fiscal year 1946 with the first quarter of the fiscal year 1945 (p. 629), that there has been an increase in the total mailings of all Government agencies of 7,729,789 pieces, but the increase in those agencies covered by the penalty-mail law is much greater, i. e., 13,787,225 pieces. In other words, there has been a decrease in mailings by those agencies exempt from the penalty-mail law and an increase in mailings by those agencies covered by Public Law 364.

The so-called reduction in cost is only a theoretical saving. While the officials of the Post Office Department contend that there has been a reduction, they are unable to translate such reduction into an outright savings which can be reflected in a reduction of the amounts appropriated for the postal service. It was testified (hearings, p. 613) that it is not possible to put a finger on savings in the over-all cost to the postal service due to the fact that the number of pieces of mail involved is so small in relation to the total volume of mail handled.

There is also to be considered the amount which it costs each agency of the Government to maintain the records, make reports, and do all the other necessary work connected with administering the act; said to total nearly \$500,000 in the case of the Department of Agriculture alone. No additional personnel has been provided for the purpose but it has been necessary to divert personnel from other needed activity to these tasks.

The two classes of material which should be controlled are printed documents and mimeographed or duplicated matter.

Printing, other than for the armed services, is now very closely restricted through appropriation limitations, but there is no direct control at the source over mimeographing, multilithing, and other types of duplicating which probably are the greatest producers of penalty-mail material. It might be that better results would ensue from rigid regulation of output of all matter intended for the mails, however produced, than the control procedures now in operation.

The costs of mimeographing, etc., are now paid out of appropriations for salaries and expenses, and involve expenditures for personal services, supplies, and equipment both in Washington and in field establishments. On account of the diversity of types of expenditures involved, appropriation limitations are not as readily applied to such items as to printing and binding, but the committee believes that budgetary restrictions can be imposed which will effectively control the quantity of such matter and automatically keep from the mails unnecessary material, and has requested the Bureau of the Budget to make a thorough study of the situation and to make recommendations as to steps which might be taken to achieve the real intent of the penalty-mail law.

The committee will report further to the House on the subject at a later date.

TITLE I—TREASURY DEPARTMENT

The accompanying bill carries a total of \$325,495,500 of direct appropriations, together with indefinite appropriations, the estimated obligations under which are in the sum of \$1,586,900,000.

These sums aggregate \$1,912,395,500. The Budget has requested a total in direct appropriations of \$335,978,000; indefinite appropriations, the total obligations for which are estimated at \$1,586,900,000 or an aggregate of \$1,922,878,000. The amount recommended is \$10,482,500 below the Budget estimate and this reduction occurs entirely in the items recommended for direct appropriations. The appropriations for the fiscal year 1946 include \$304,446,000 of direct appropriations; indefinite appropriations, the estimated total obligations under which aggregate \$2,600,900,000, or a grand total for 1946 of \$2,903,346,000. The aggregate total recommended in the bill of \$1,912,395,500 is therefore \$990,950,000 less than the appropriations for 1946.

Permanent appropriations: In addition to the activities appropriated for in the regular bill there exist permanent appropriations administered by this Department, the estimated obligations for which in 1947 aggregate \$5,594,732,697; a sum which is \$149,669,903 in excess of the permanent appropriations for 1946. These appropriations cover such items as interest on the public debt, the sinking fund, etc.

Trust funds: In addition to the foregoing, there exist trust funds administered by this Department. These are funds which do not belong to the Government and are not composed of appropriations out of the Federal Treasury, but consist of such items as the Federal old-age and survivors insurance trust fund, the unemployment trust fund, etc. The total disbursements of these trust funds during the fiscal year 1946 are estimated in the sum of \$2,568,051,816 as compared with estimated similar disbursements for the fiscal year 1947 of \$2,840,254,870. The 1946 amount for the Federal old-age and survivors insurance trust fund is \$1,245,006,473, as compared with the 1947 amount for the same item of \$1,590,816,569. For the unemployment trust fund the 1946 disbursements are estimated at \$1,316,489,773, as compared with \$1,248,143,301 in 1947.

All the foregoing items are set forth in tabular form at the end of this report.

DEPARTMENTAL OFFICES

The offices of the secretary, Division of Tax Research, Tax Legislative Counsel, and other technical and administrative offices of the Treasury Department have been heavily burdened with work incident to the unprecedented financing problems of the war. Now that heavy expenditures for and incident to the war have substantially diminished and will continue to decline, the burdens of these offices should be lessened and the committee has made reductions in the amounts estimated on that account.

FOREIGN FUNDS CONTROL

Appropriation, 1946-----	\$2, 000, 000
Estimate, 1947-----	1, 300, 000
Recommended in bill, 1947-----	1, 000, 000

The work of this wartime office is rapidly drawing to a close and the Director has announced that it definitely will be out of business by June 30, 1947. The Department has released controls as rapidly as possible, and if the present rate of reduction in activity continues, the amount proposed, \$1,000,000, should be adequate for all purposes.

DIVISION OF DISBURSEMENT

Appropriation, 1946-----	\$5, 884, 000
Estimate, 1947-----	7, 410, 000
Recommended in bill, 1947-----	7, 284, 000

The increase in the Division of Disbursement is predicated upon an increased number of payments to veterans, social-security beneficiaries, etc., and is offset by marked decreases in the number of items to be handled for wartime activities which now either are entirely stopped or are rapidly diminishing. The estimate also includes \$1,000,000 for the payment of refunds of income taxes. The Department advises that the work of refunding taxes is progressing at a rate which makes it appear that most of such payments will be made during fiscal year 1946 instead of 1947, and the bill therefore carries a provision making the \$1,000,000 available immediately.

BUREAU OF THE PUBLIC DEBT

Appropriation, 1946-----	\$85, 050, 000
Estimate, 1947-----	70, 475, 000
Recommended in bill, 1947-----	65, 475, 000

The estimate includes \$2,900,000 for the War Finance Division. It is this Division which has had the task of selling bonds during the war. This undertaking has required the maximum in industry and ingenuity of those charged with responsibility for its administration. It was through the efforts of those so engaged that the pay-roll savings plan, which has proven to be quite popular throughout the country, was inaugurated and the purpose of the estimate for 1947 largely is to carry forward this activity. After thoroughly considering the matter and discussing it at length with departmental officials, the committee is of the opinion that \$2,000,000 will provide all service necessary. Hence the reduction of \$900,000 in the estimate for this Division. The remaining amount of the reduction, \$4,100,000, should be absorbed in the various other activities of the Bureau of Public Debt. There are certain backlogs of work connected with the large number of

bonds issued during the past 2 years which must be eliminated, but these arrearages gradually will reduce and work should be well current before the end of 1947. The volume of new work will greatly lessen and with the disposal of the backlogs the cost of administration of the Bureau of Public Debt should be materially less in future years.

Attention is called to the fact that the Budget indicates that \$39,565,000 will be transferred to the Federal Reserve banks during the 1947 fiscal year as reimbursement for serving as agents for the Treasury in handling Public Debt Bureau transactions. This amount is \$5,000,000 less than the estimated amount for 1946, but \$5,000,000 more than the actual cost in 1945. An item of this size should have careful scrutiny of the Secretary of the Treasury and the Bureau of the Budget to be sure that the work required of the Federal Reserve banks and the charges therefor are minimized.

There is a tendency in presenting budgets to Congress to treat rather lightly amounts to be transferred to other agencies for services to be performed. There is not always apparent a sense of responsibility for the estimate presented or the validity of the cost factors involved in its formulation. The Department to which an appropriation is made for a reimbursement of the type in question, if it possesses any discretionary power in the matter, has the same degree of responsibility for the need and employment of the appropriation as if it were for direct expenditure.

OFFICE OF THE TREASURER OF THE UNITED STATES

Appropriation, 1946-----	\$4, 955, 000
Estimate, 1947-----	5, 305, 900
Recommended in bill, 1947-----	5, 075, 000

The work of the Treasurer's office is directly and immediately affected by the volume of the expenditures of all agencies of the Government. While the estimate represents an actual reduction of \$360,000 below comparable amounts for 1946, when nonrecurring items and pay increases are taken into account, there is such a great difference between estimated expenditures in 1946 and 1947 that, in the judgment of the committee, a further reduction is warranted. The estimates are based on reports from all agencies, a number of which—particularly the Army and Navy—have not completed their 1947 budgets, as to the number of checks which they probably will clear in 1947, and the tabulation of these items indicates that the Navy, although showing a reduction of 23,000,000 below the 1946 figure, still will clear 3,300,000 more checks in 1947 than it cleared in the fiscal year 1944, at the height of the war. The Army, while reducing the number of checks by some 60,000,000 in 1946 is still expected to clear 25,000,000 in excess of the number for the fiscal year 1943, a heavy war year.

BUREAU OF CUSTOMS

Appropriation, 1946-----	\$24, 198, 000
Estimate, 1947-----	30, 037, 000
Recommended in bill, 1947-----	29, 430, 000

The volume of world trade governs to a large degree the cost of administration of the customs service, and it is not now possible to

foretell the volume of business which will be passing through the ports a year and more hence.

The estimates contemplate a rather high level of import activity during 1947 which may or may not be realized. So many factors, now unknown, such as volume of manufacture, extension of credits, etc., will have a bearing on money needs that the committee has reduced the estimate \$1,000,000. The actual net reduction, however, is \$600,000, because of the need to add \$400,000 on account of an error in the original estimate, which has been satisfactorily explained by departmental officials.

COMPTROLLER OF THE CURRENCY

Appropriation, 1946-----	\$245, 000
Estimate, 1947-----	281, 000
Recommended in bill, 1947-----	

For a number of years the annual appropriation act has carried an amount for salaries and printing and binding in the departmental office of the Comptroller of the Currency. This amount has been only a token appropriation inasmuch as the bulk of expenditures of this office, running in excess of \$4,000,000, are made from a fund derived from assessments on the national banks, which are supervised by the Comptroller. The committee is advised that the condition of the assessment fund is such that the percentage assessment has been reduced in the last 2 years and that there is still a sufficient amount to absorb the departmental cost heretofore provided for out of the Treasury. The two items, therefore, have been eliminated from the bill at a savings to the Treasury of \$281,000. The departmental officials have indicated to the committee that the Department has no objection to this plan and that it is in accord with law. This action will not affect the committee's practice of discussing with the Comptroller's office, in connection with the annual appropriation bill, the condition of the assessment fund and the cost of operation of the office.

The committee has inquired as to the status of those employees whose source of compensation would be changed by the action it is proposing insofar as retirement and other benefits are concerned and has been informed that no disadvantage to any employee would result.

BUREAU OF INTERNAL REVENUE

Appropriation, 1946-----	\$136, 309, 600
Estimate, 1947-----	186, 707, 000
Recommended in bill, 1947-----	184, 707, 000

The work of this Bureau has greatly increased during the past few years, both in the amount of tax collected and the number of taxpayers to be contacted. The Tax Act of 1945 greatly reduced the number of persons paying taxes but did not materially reduce the number required to make income-tax returns. Therefore, the work of the Bureau has not been reduced commensurately with the reduction in revenues.

Last June the Secretary of the Treasury appeared before the committee and sought authority, which was granted, to recruit a force of employees to seek tax evaders and recover as large a portion as possible of the amounts of their evasions. This program is just now getting well under way and the estimate for 1947 includes provision only for the staff as it will be built up before the end of 1946.

In making the slight reduction of \$2,000,000, it is not the committee's purpose to curtail the activity of the Bureau in bringing tax evaders to terms or in collecting the largest possible amount of revenue. Its reduction is directed to such items as travel and communications, for which substantial increases are proposed in 1947. It is felt that careful supervision of such class of expenses should result in savings in amounts sufficient to meet the reduction proposed without impairing necessary work of the Bureau.

BUREAU OF ENGRAVING

Appropriated, 1946.....	\$10,405,500
Estimate, 1947.....	12,171,500
Recommended in bill, 1947.....	11,755,500

The estimate includes \$805,000 for the purchase of equipment, of which \$655,000 is intended for new equipment and \$150,000—more than twice the amount expended in 1945—for normal replacements. The Government should restrict its purchases of heavy machinery to minimum needs until such time as the domestic economy has leveled off and should defer purchasing any items which are not urgently required. The reduction proposed applies to such equipment items.

SECRET SERVICE

SUPPRESSING COUNTERFEITING AND OTHER CRIMES

Appropriated, 1946.....	\$1,400,000
Estimate, 1947.....	1,911,000
Recommended in bill, 1947.....	1,800,000

The committee has approved purchase of 60 new automobiles instead of 120 as provided in the estimate, the resultant reduction being \$42,000. The supply of new automobiles will be extremely short during the next year and Government agencies should purchase only those vehicles needed to replace those in such condition as no longer can be operated economically. A further reduction of \$69,000 is recommended, applying to the proposal to employ 60 additional agents with clerical staffs, at an estimated cost of \$284,000, including \$39,000 for travel expense and supplies and materials. The reduced amount will provide for such operational expansion as seems warranted at this time.

Heretofore the appropriation has carried a fund of \$15,000 to be expended "in the discretion of the Secretary of the Treasury" for the purpose of securing information regarding violations of the law. This fund is used for expenses of a confidential nature incident to law enforcement. By a recent interpretation of the law it is necessary to secure the approval of the Secretary of the Treasury in each individual case before an obligation is incurred. It is not practicable to secure such prior approval and the Budget proposes to delete the words "in the discretion of the Secretary of the Treasury."

The committee is agreeable to eliminating the requirement for prior approval and is willing to go so far as to eliminate the necessity of an approval by the Secretary of the Treasury, but it does consider

that the nature of these expenditures requires that they should have the attention of the Chief of the Secret Service and has, in lieu of the language proposed to be stricken, inserted a provision requiring the approval before payment by the Chief of the Secret Service of any voucher claiming reimbursement for expenses incurred under the authority of this special fund.

BUREAU OF THE MINT

SALARIES AND EXPENSES, MINTS AND ASSAY OFFICES

Appropriation, 1946-----	\$5, 400, 000
Estimate, 1947-----	6, 775, 000
Recommended in bill, 1947-----	6, 000, 000

The estimate contemplates increased coinage at a cost of \$587,950, an increase for equipment in the amount of \$374,100, and an increase in refinery activity in the amount of \$200,000. Demands for coin have been at peak levels during the war years and the committee is not convinced that any increase above present output will be required in 1947. On the contrary it would appear likely that there will be some reduction in coin required.

The equipment purchases should be restricted to urgent requirements in order to avoid burdening manufacturing facilities already taxed to supply private demands. The reduction of \$775,000 should be absorbed in the equipment-purchase program and probable reduction in coin requirements without impairing necessary work of the Bureau.

TITLE II.—POST OFFICE DEPARTMENT

The bill carries a grand total of \$1,279,066,540 for the Department and the field, a reduction of \$19,172,650 below the Budget estimates and an increase of \$241,545,975 over appropriations for 1946. However, the increase over 1946 is partially offset by the cost of increased compensation remaining to be appropriated which will bring the actual increase down to \$57,875,122 on a comparable basis. There are further deficiencies which later will be presented to the Congress which will in all probability bring the 1946 costs approximately to the levels of 1947 appropriations carried in the bill.

POSTAL REVENUES AND EXPENDITURES

The budget for the postal service presents a problem to the Committee on Appropriations and to the Congress generally which is unlike that involved in the consideration of other Budget items. The factors responsible for the largest elements of cost are predetermined by or in pursuance of statute. The Postmaster General has authority—as he must have in order to be able to move the mail whenever and wherever it is delivered to post offices—to appoint certain types

of employees in such numbers, regardless of amounts of appropriations, as are required to render the service which the Department is bound under law to render. The rates charged by the railroads are fixed and cannot be curtailed by the simple process of cutting appropriations. The rates of compensation to be paid employees are fixed by law. The rates for air-mail transportation are under the jurisdiction of the Civil Aeronautics Board and even the postal officials have little voice in that service.

So, in arriving at amounts to be appropriated for the postal service, it is not a question of how much the taxpayers of the Nation can afford to spend or, as a matter of policy, ought to spend on a particular activity as is the case with other agencies of the Government. It is purely a matter of estimating as accurately as possible what the mail load will be and how much—within the limits of the controlling statutes—it will cost to move it. Whenever the amount appropriated is found to be insufficient there is no alternative but to supply the additional amount required through a deficiency appropriation.

At the time of the hearings on the Post Office Department estimates in early December it was estimated that the total revenues of the Post Office Department would be \$1,300,000,000 in 1946 and that the revenues for 1947 would be approximately the same amount. Revenues for July and August showed increases over the comparable months of the previous year, and September and October showed marked decreases with November showing a lesser decrease. Postal officials predicted that December would reflect a rise in postal revenues above the previous year in sufficient amount to offset the decreases in the three former months. However, statistics for the month of December are now available and show a decrease of 7.10 percent below December 1944. The Department has now, on the basis of the full 6 months' experience, revised its estimates of revenues for the year down to \$1,248,000,000, or a reduction of \$52,000,000 below former estimates. The percentage variation of revenues by months follows:

	<i>Percent</i>		<i>Percent</i>
July.....	+ 3. 41	October.....	— 9. 11
August.....	+ 1. 43	November.....	— 3. 10
September.....	— 6. 50	December.....	— 7. 10

The committee has therefore reduced the postal budget \$19,172,650, based on this revised estimate of the trend in postal business. It is, of course, impossible to foretell what the actual volume in 1947 will be, but all information now available is indicative of a lesser volume of mail than was used as a basis for the estimates submitted in the Budget.

The committee has also compared expenditures in fiscal year 1946 with expenditures in fiscal year 1945 and there follows a table showing the percentage of increase by months for the first 6 months of the year:

	<i>Percent</i>		<i>Percent</i>
July.....	14. 69	October.....	9. 51
August.....	15. 92	November.....	12. 11
September.....	13. 33	December.....	17. 79

On account of the increase in base salaries the expenditures in 1946 would be higher for the same volume of business, but from these statistics it would appear that there is not the relationship there should be between the trend of the revenues and the trend of the expenditures. For example, an increase in business of 3.41 percent in July produced an increase in expenditures of 14.69 percent, while in September a decrease of 6.5 percent in revenues compares with an increase in expenditures for that month of 13.33 percent, and in December a decrease in revenues of 7.10 percent compares with an increase in expenditures of 17.79 percent. Officials of the Post Office Department should give this matter their urgent attention with view to determining whether or not unnecessary expenditures may be eliminated in order to bring expenditures more nearly in line with revenues.

SALARIES, BUREAUS AND OFFICES

The general decline in postal business lessens the work loads of the various departmental offices. The amounts which are recommended are in all instances somewhat less than the Budget estimates and are in harmony with demands now foreseeable.

A budget officer at \$5,100 was requested for the office of the Chief Clerk. The committee sees no need for this employee and therefore has eliminated the salary.

In the office of Second Assistant Postmaster General provision has been made for three additional employees on account of the international postal service and 13 additional on account of air mail. These two services will expand despite the decrease in postal business, generally.

In the Bureau of Accounts a reduction of \$50,000 has been made. The item as recommended includes provision for 62 temporary employees at a cost of \$85,200 to complete the retirement records of employees in the postal service. A similar request was denied in the 1946 appropriation because it was not felt that the necessary employees could be procured. However, manpower shortages should not now be a hindrance to the accomplishment of this important work. It is the hope of the committee that by the end of fiscal year 1947 all retirement records of the postal service will be current and that it will be possible to maintain them on a current basis thereafter. It is of the utmost importance that there be no delay in furnishing the necessary service-record data when an employee becomes eligible or applies for retirement.

In connection with the First Supplemental Appropriation Act, 1945, the Congress approved 17 additional employees in the Bureau of Accounts to handle work required by the Penalty Mail Act. It was testified before the committee on January 16, 1946 (p. 610 of the hearings), that the time of 3½ employees at a cost of \$6,800 per annum is utilized for this purpose. Inasmuch as the Department has been receiving an appropriation for 17 employees for work which it now states 3½ employees can handle, it should be possible for this

Bureau to absorb a large part of the afore-mentioned reduction of \$50,000 with no resulting disadvantage.

INSPECTION SERVICE

SALARIES OF INSPECTORS

Appropriation, 1946-----	\$3, 073, 375
Estimate, 1947-----	4, 000, 000
Recommended in bill, 1947-----	3, 838, 000

The appropriations for the Inspection Service are largely governed by the number of inspectors. For 1946, provision was made for 795 inspectors. The Budget estimate for 1947 contemplates 835 inspectors, and the bill includes provision for 800 inspectors. The amount recommended to be appropriated for salaries includes no funds for salaries of five new inspectors, which would cost approximately \$20,000 the first year, as it appears that this amount can be absorbed through turn-over, etc. The appropriations for travel and miscellaneous expenses have been adjusted to comport with the action taken on the number of inspectors. No additional increases in the field offices of the Inspection Service have been approved as the addition of only five inspectors should not require additional clerical service.

COMPENSATION OF POSTMASTERS

Appropriation, 1946-----	\$59, 773, 000
Estimate, 1947-----	75, 000, 000
Recommended in bill, 1947-----	74, 600, 000

The amount recommended, \$74,000,000, is \$1,000,000 less than the Budget estimate and \$2,180,533 over the amount appropriated for 1946, plus the cost of new pay legislation. The estimate includes funds to defray the cost of increases in salaries of postmasters expected to arise from increases in postal business at individual offices both within classes and from class to class. The trend of postal business as previously outlined herein definitely is less than was contemplated at the time the estimates were prepared and it appears inevitable that in the aggregate the salaries of postmasters will be somewhat less than the original estimates contemplated. The salaries are statutory and the amount of the appropriation does not in any way affect the salary of any postmaster.

ASSISTANT POSTMASTERS

The amount recommended, \$11,440,000, is a reduction of \$571,000 below the estimate of \$12,011,000. The reduction represents the cost of 200 additional positions requested by the Department. The Department has sought over a period of years to increase the number of assistant postmasters provided for in order to authorize the appointment of assistant postmasters at many of the smaller second-class offices, and the committee consistently has taken the position that assistant postmasters should be authorized only when there is a demonstrable need. The law is so phrased as to permit the appointment

of assistant postmasters at all first- and second-class post offices, but the law is not mandatory and there are many of the smaller offices where no real need for assistant postmasters exists.

CLERKS, FIRST- AND SECOND-CLASS POST OFFICES

Appropriation, 1946-----	\$302, 000, 000
Estimate, 1947-----	394, 870, 000
Recommended in bill, 1947-----	391, 870, 000

Here again the reduction is based entirely on the trend of postal business. The estimate included \$843,924 for 491 new clerical positions in 1947, which undoubtedly will not be required unless there is some change in the present trend of postal business. The estimate also provides for \$12,227,000 for substitute service in excess of the amount for 1946, or a total of \$131,262,000 for substitute service in 1947. The amount of the reduction should be absorbed within these two items without disadvantage to the service or to the employees.

The Postmaster General has authority to employ such number of clerks as are required to handle the mail regardless of the amount of the appropriation.

SEPARATING MAIL AND UNUSUAL CONDITIONS

The appropriations for separating mail and for unusual conditions in post offices are materially less than the amounts for 1946. Prior to 1946, allowances were made from these two appropriations to meet abnormal conditions in third- and fourth-class post offices. However, Public Law 134, the Postal Pay Act of 1945, makes provision for conditions to be taken into account in allocating clerical staff in third-class post offices, thereby obviating the necessity of appropriations for separating mail and unusual conditions in other than fourth-class post offices.

CLERKS, THIRD-CLASS POST OFFICES

Appropriations, 1946-----	\$11, 492, 000
Estimate, 1947-----	18, 152, 000
Recommended in bill, 1947-----	17, 512, 000

Under Public Law 134—the Postal Pay Act of 1945, the Post Office Department is directed to authorize appointments of such clerks as may be required in grades and salaries, fixed by the act, in third-class post offices. To make this act effective it is necessary to make a survey of each office and determine the amount of clerical service required. This survey will not be completed until late in the fiscal year 1946 and it is not possible to judge accurately what the total cost will be until the reports from surveys in all offices are available. In the meantime, the estimate includes 5,135 new positions to be established in 1947. It may not be necessary to fill that number of new positions in 1947, and pending the completion of surveys there is not a firm basis for estimating the number which will be required. The committee has imposed a reduction of \$600,000 on this account. If it is determined

that the service requires a larger number of employees than it is possible to pay from the amount of the appropriation proposed, it will be necessary to make a deficiency appropriation.

CITY DELIVERY SERVICE

Appropriation, 1946-----	\$172, 000, 000
Estimate, 1947-----	218, 300, 000
Recommended in bill, 1947-----	217, 000, 000

The same situation obtains with respect to city-delivery clerks at first- and second-class post offices. The estimate contemplates 450 new positions at a cost of \$482,900 and an increase of \$3,394,000 in the amount for employment of substitutes or a total of \$47,963,000 for substitutes. Unless the postal volume greatly exceeds the amount which is indicated by present trends, the reduction of \$1,300,000 can easily be absorbed in these two items.

During the war, delivery service was rather largely curtailed in some areas because of the lack of available manpower. The Department intends to restore service to a normal basis as rapidly as the manpower situation will permit. It is not intended that the reduction imposed by the committee should retard this program of service restoration.

RURAL DELIVERY SERVICE

Appropriation, 1946-----	\$93, 598, 000
Estimate, 1947-----	115, 000, 000
Recommended in bill, 1947-----	114, 500, 000

The estimate includes an increase of \$185,000 in the cost of substitutes and \$90,000 in the allowances for heavy-duty and other items which would be necessary if mail volume continued at a high level. The reduction does not contemplate a reduction in the service to be performed and is based entirely on the elimination of extra charges which would be required by a larger volume of mail.

STAR ROUTE SERVICE

Appropriation, 1946-----	\$19, 150, 000
Estimate, 1947-----	21, 000, 000
Recommended in bill, 1947-----	20, 700, 000

Several factors, and lack of competition was one of the most important, have contributed to increased contract prices in the star-route service during the war period. As we return to a normal peacetime economy and labor supply, competition for these contracts will be more pronounced and should result in some saving to the Government. The estimate included \$539,000 because of contemplated cost increases over current rates. This increase is based on experience with letting of contracts during war years, and with more spirited competition which reasonably may be expected in the ensuing year, the reduced amount should prove adequate.

POWER BOAT SERVICE

Appropriation, 1946.....	\$500, 000
Estimate, 1947.....	1, 737, 000
Recommended in bill, 1947.....	1, 600, 000

The large Budget increase over 1946 is accounted for by the resumption of contract service between the west coast and various points in Alaska and Hawaii, which service was performed by the War Shipping Administration during the actual war period. None of these services will be resumed until March 1, 1946, and until they are in actual operation it is not possible to judge accurately their annual cost. The amount approved by the committee, although \$137,000 less than recommended in the Budget, is a substantial increase over the amount required in any prewar year.

RAILROAD TRANSPORTATION

Appropriation, 1946.....	\$145, 000, 000
Estimate, 1947.....	138, 000, 000
Recommended in bill, 1947.....	137, 000, 000

Expenditures for railroad transportation and mail-messenger service, of which the railroad transportation item is more than 90 percent, should bear some relation to the general condition of the postal business. As the volume of mail goes up, naturally the railroad space required must go up, and as the volume of mail declines railroad space utilized and paid for should also decline. It will be noted in the table below that during the first 6 months of the fiscal year 1946 the total postal revenues exceeded the revenues for comparable months in the fiscal year 1945 in July and August but were below revenues for comparable months in September, October, November, and December. However, the obligations for transportation of the mails were in excess of the cost in the previous year, not only in July and August but also in September and November.

Comparison of obligations for the first 6 months of the fiscal year 1946 with the same period during the fiscal year 1945

	Fiscal year—		Postal revenues of 1946 compared with 1945
	1946	1945	
			<i>Percent</i>
July.....	\$11, 777, 831	\$10, 940, 841	+3. 41
August.....	11, 536, 143	10, 986, 290	+1. 43
September.....	11, 482, 003	11, 322, 459	—6. 50
October.....	12, 958, 330	13, 989, 255	—9. 11
November.....	12, 094, 339	11, 984, 291	—3. 10
December.....	15, 069, 289	15, 609, 490	—7. 10
Total.....	74, 917, 935	74, 832, 626	—3. 89

Careful attention should be given to the utilization of space in railroad cars in order to minimize expenditures for this service. The total expenditures for this item should not exceed the amount recommended, \$137,000,000, if the present trend of postal business extends through 1947.

RAILWAY MAIL SERVICE—SALARIES

Appropriation, 1946-----	\$74, 000, 000
Estimate, 1947-----	86, 000, 000
Recommended in bill, 1947-----	85, 500, 000

The estimate for the railway mail service includes salaries and other expenses for 2,000 additional positions in 1947. The salary item alone for these positions amounts to \$2,900,000. In line with its general reduction of post-office estimates on account of the probable lesser mail volume than was in prospect at the time the estimates were prepared, the committee has reduced the salary item \$500,000 and other railway mail service items proportionately.

FOREIGN MAIL TRANSPORTATION

Appropriation, 1946-----	\$400, 000
Estimate, 1947-----	5, 000, 000
Recommended in bill, 1947-----	4, 000, 000

This appropriation pays only for transportation of foreign mail by surface lines. Commerce with foreign countries is far from normal and it is not possible to foretell when normal conditions may be established nor at what levels. Foreign mail on the other hand is definitely known to be at peak levels with many countries with which all communication was cut off during war years. The handling of such mail has not yet reached a peacetime basis and cannot reach such a basis until shipping stringencies are relieved. Air mail was encroaching rapidly on surface-borne mail prior to the war and undoubtedly will make greater inroads with the postwar development of transoceanic air transportation. The volume of mail to be borne in surface ships presents as difficult an estimating problem as any phase of the postal service and there is no basis for saying that the cost will be \$4,000,000 or \$5,000,000 or any other definite amount. The committee is proposing the grant of \$4,000,000.

FOREIGN AIR MAIL TRANSPORTATION

Appropriation, 1946-----	\$4, 836, 000
Estimate, 1947-----	5, 000, 000
Recommended in bill, 1947-----	5, 000, 000

Foreign air mail undoubtedly will increase markedly during the next few years. New routes are being established and the number of flights over existing routes is being increased. The cost to the Government of carrying the mail on these routes will depend upon the rates to be fixed by the Civil Aeronautics Board. The fixing of such rates is a very difficult task and usually has lagged for a considerable period behind the issuance of certificates of convenience and necessity which inaugurate the service. Probably it is necessary to delay the determination of such rates for some period after service

actually is begun in order to secure cost data for actual experience. It has appeared to the committee in the past, however, that some of the delays were longer than would seem required to furnish the necessary data upon the basis of which intelligent action might be taken, and, therefore, the committee desires to urge that the Civil Aeronautics Board make every effort to establish rates at the earliest practicable date.

The amount of the estimate, \$5,000,000, is less than one-third of the amount which was required for this service in 1941. For the past 4 years there has been practically no paid service outside the Western Hemisphere and there is no experience on which to base a firm estimate of cost in 1947. Obviously, \$5,000,000 is only a token amount.

MANUFACTURE OF STAMPS

Appropriation, 1946-----	\$6, 500, 000
Estimate, 1947-----	7, 402, 000
Recommended in bill, 1947-----	6, 500, 000

Inasmuch as the manufacture and distribution of stamps and stamped paper and other postage items must be well in advance of the mail volume, the changed trend in postal volume, which has been heretofore explained, should have a more immediate effect on this item than any other item in the bill. For this reason the committee believes the reduction of \$902,000 below the estimate will not seriously affect the procurement of necessary items.

POST OFFICE EQUIPMENT

Appropriated, 1946-----	\$4, 903, 600
Estimate, 1947-----	6, 384, 000
Recommended in bill, 1947-----	6, 000, 000

The equipment in post offices has greatly deteriorated during the war and the need for replacement probably is acute in many instances. The Department also desires to place Government-owned equipment in many third-class post offices where the present equipment is furnished by the postmaster or owner of the building. Demands upon the manufacturers of the types of equipment required probably will be such that the postal service will not be able to secure all necessary equipment during the coming year and the Department should give attention to equipping properly those offices where the Government now owns the equipment before embarking on a program of furnishing Government-owned equipment to additional offices.

Of the amount approved, \$1,000,000 is earmarked for the purchase of omnidenominational postage meters, stamp-vending machines, coin-operated postage meters, and other modern mechanical postal devices. The purchase of these machines will enable the Department to render service at hours when the post offices are closed by installation of vending machines in post-office lobbies and to handle more readily the long lines that form in post offices during Christmas and other abnormally heavy business periods. Five hundred thousand dollars was provided in 1946 for this purpose and the committee is somewhat disappointed to learn that to date it has not been possible to enter into contracts for the expenditure of such fund. The committee realizes the difficulty of procurement of metal equipment of

any type under present stringencies, but it is hopeful that the Department will exert every effort to secure delivery of the machines provided for in appropriations both for 1946 and 1947 at the earliest practicable date.

VEHICLE SERVICE

Appropriated, 1946.....	\$21, 848, 400
Estimate, 1947.....	36, 950, 000
Recommended in bill, 1947.....	33, 650, 000

The estimate includes \$6,257,000 for the purchase of 5,780 motor trucks. There is no question of the need for these trucks as all trucks now in use were purchased prior to 1942 and 6,685 of the 9,276 now in use were purchased prior to 1933. However, it is extremely doubtful whether the number of trucks required can be secured. For the fiscal year 1946, \$560,000 was provided for new trucks, and it has not been possible as yet to enter into a contract for the purchase of a single truck from that appropriation although the money has been available since July 1, 1945. The committee has reduced the amount for 1947 truck purchases to \$3,500,000 in the belief that not more than that can be expended during the year. Of the 5,780 included in the estimate, 2,030 were intended to replace contract vehicles where the present cost is considered excessive, and the remainder were for replacements in the Government-owned fleet. It is true, of course, that no vehicles should be rented where a Government-owned vehicle is available at lesser cost, and the committee leaves it to the judgment of the Post Office Department to distribute such new trucks as are purchased between replacements in the Government-owned fleet and the rented fleet, on such basis as will be most advantageous, from a cost standpoint, to the Government.

There are now 149 trucks which are more than 25 years old in use in the postal service and in distributing the new equipment consideration should be given to eliminating those vehicles on which repair costs are excessive. Vehicles of that age are undoubtedly very expensive to maintain. The officials in charge of this service, when interrogated about their policy with regard to replacement of vehicles, did not indicate that they have any very definite plan. Splendid service is now being rendered, and the present personnel appear to be thoroughly qualified, and there is no thought of replacing any of the present staff but the committee suggests that the departmental officials scrutinize the situation with a view to determining whether or not it would be economical to add an automotive engineer to the present staff.

The committee has reduced the amount for purposes other than procurement of new equipment by \$538,000. This reduction is based entirely on the current trend of postal business. The total estimate for purposes other than equipment procurement is \$30,070,000 and the amount of the reduction should easily be absorbed if the trend of postal business continues.

TRANSPORTATION OF EQUIPMENT AND SUPPLIES

Appropriation, 1946.....	\$320, 000
Estimate, 1947.....	745, 500
Recommended in bill, 1947.....	520, 000

This item includes the cost of freight on the new trucks provided for in the estimate. The amount of reduction, \$225,000, is entirely accounted for by the reduction in the number of trucks to be purchased in 1947.

PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

Appropriation, 1946-----	\$27, 164, 000
Estimate, 1947-----	37, 620, 000
Recommended in bill, 1947-----	37, 000, 000

The current fiscal year, 1946, is the first in which the employees in this service have been paid in accordance with the standard classifications provided for in Public Law 134, Postal Pay Act of 1945. Until there has been a little further experience under the new law and all positions in the service have been definitely classified, it is not possible to estimate accurately the cost of personnel required in maintenance of buildings. The amounts for temporary employment and for over-time pay appear to be somewhat excessive in view of the fact that the estimate includes provision for a considerable number of new full-time permanent positions in 1947, and the reduction of \$625,000, therefore, has been made pending better information on the total cost of the new act.

REVISIONS IN LANGUAGE OF THE BILL

The joint efforts of the Bureau of the Budget, the General Accounting Office, and departmental officials have resulted in simplification of the language of the paragraphs relating to "Contingent expenses" for the Treasury Department and to "Contingent expenses," "Printing and binding," "Miscellaneous expenses" of the Railway Mail Service; "Manufacture of stamps," "Stationery and equipment," "Equipment shops," "Vehicle service," and "Public buildings maintenance," for the Post Office Department.

These revisions have eliminated unnecessary verbiage without adding to or detracting from the authority of the Departments and, on that account, are approved by the committee. In the case of the appropriation for "Operating force, public buildings," the revision also brings the paragraph in line with the provisions of the Postal Pay Act of 1945.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATION BILL, 1947

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947

TITLE I—TREASURY DEPARTMENT

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (-), bill compared with 1946 appropriations	Increase (+) or decrease (-), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (-), bill compared with 1947 Budget estimates
OFFICE OF SECRETARY OF TREASURY						
Secretary's office, salaries-----	\$360, 000	\$442, 000	\$422, 000	+\$62, 000	+\$20, 330	-\$20, 000
Cost of handling penalty mail-----	5, 701, 500	4, 743, 000	4, 400, 000	-1, 301, 500	-1, 301, 500	-343, 000
Division of Tax Research-----	153, 500	176, 000	175, 000	+21, 500	+433	-1, 000
Tax Legislative Counsel's office, salaries-----	80, 000	90, 500	87, 500	+7, 500	-2, 547	-3, 000
Foreign Funds Control-----	2, 000, 000	1, 300, 000	1, 000, 000	-1, 000, 000	-1, 110, 321	-300, 000
Division of Research and Statistics--	155, 000	178, 100	165, 000	+10, 000	-11, 419	-13, 100
General Counsel's office, salaries----	160, 000	179, 100	175, 000	+15, 000	-3, 596	-4, 100
Personnel Division-----	164, 000	206, 900	190, 000	+26, 000	+775	-16, 900
Chief clerk, office of, salaries-----	286, 000	355, 000	350, 000	+64, 000	+16, 670	-5, 000
Miscellaneous expenses-----	1 260, 000	240, 000	230, 000	-30, 000	-30, 000	-10, 000
Printing and binding-----	28, 000	28, 000	28, 000			

Treasury buildings: Operating force, salaries-----	452, 000	555, 000	555, 000	+ 103, 000	+ 6, 410	-----
Total, Office of Secretary of the Treasury, including special items-----	9, 800, 000	8, 493, 600	7, 777, 500	- 2, 022, 500	- 2, 414, 765	- 716, 100
BUREAU OF ACCOUNTS						
Salaries and expenses-----	832, 760	861, 500	850, 000	+ 17, 240	- 80, 374	- 11, 500
Printing and binding-----	32, 000	40, 000	35, 000	+ 3, 000	+ 3, 000	- 5, 000
Disbursement, Division of:						
Salaries and expenses-----	² 5, 700, 000	7, 200, 000	7, 100, 000	+ 1, 400, 000	+ 812, 045	- 100, 000
Printing and binding-----	³ 184, 000	210, 000	184, 000	-----	-----	- 26, 000
Contingent expenses, public moneys-----	450, 000	426, 000	415, 000	- 35, 000	- 35, 000	- 11, 000
Relief of indigent of Alaska-----	24, 000	20, 000	19, 000	- 5, 000	- 5, 000	- 1, 000
Deposit of withheld taxes, salaries and expenses-----	500, 000	500, 000	475, 000	- 25, 000	- 25, 000	- 25, 000
Recoinage of silver coins-----	140, 000	140, 000	140, 000	-----	-----	-----
Total, Bureau of Accounts-----	7, 862, 760	9, 397, 500	9, 218, 000	+ 1, 355, 240	+ 669, 671	- 179, 500
BUREAU OF THE PUBLIC DEBT						
Administering the public debt-----	84, 250, 000	69, 700, 000	64, 700, 000	- 19, 550, 000	- 22, 079, 430	- 5, 000, 000
Distinctive paper for United States securities-----	800, 000	775, 000	775, 000	- 25, 000	- 25, 000	-----
Total, Bureau of the Public Debt-----	85, 050, 000	70, 475, 000	65, 475, 000	- 19, 575, 000	- 22, 104, 430	- 5, 000, 000

³ Includes \$54, 000 in First Deficiency Act, 1946.¹ Includes \$4,000 in First Deficiency Act, 1946.² Includes \$1,000,000 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE I—TREASURY DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
OFFICE OF TREASURER OF UNITED STATES						
Salaries and expenses-----	\$4, 600, 000	\$4, 955, 000	\$4, 750, 000	+\$150, 000	-\$444, 475	-\$205, 000
Federal Reserve and national currency, salaries for redemption of (reimbursable)-----	80, 000	125, 900	110, 000	+30, 000	+16, 194	-15, 900
Printing and binding-----	275, 000	225, 000	215, 000	-60, 000	-60, 000	-10, 000
Total, Treasurer's office-----	4, 955, 000	5, 305, 900	5, 075, 000	+120, 000	-488, 281	-230, 900
CUSTOMS SERVICE						
Salaries and expenses-----	424, 118, 000	29, 957, 000	29, 350, 000	+5, 232, 000	+1, 548, 000	-607, 000
Printing and binding-----	80, 000	80, 000	80, 000	-----	-----	-----
Total, Customs Service-----	24, 198, 000	30, 037, 000	29, 430, 000	+5, 232, 000	+1, 548, 000	-607, 000

OFFICE OF COMPTROLLER OF CURRENCY		233, 000	269, 000	-----	-----	-----	-----	-----	-----
Salaries-----		12, 000	12, 000	-----	-----	-----	-----	-----	-----
Printing and binding-----		245, 000	281, 000	-----	-----	-----	-----	-----	-----
Total, Office of Comptroller-----									
INTERNAL REVENUE BUREAU									
Expenses of assessing and collecting taxes-----		136, 300, 000	186, 700, 000	184, 700, 000	+ 48, 400, 000	+ 29, 899, 879	-----	-----	-----
Additional income tax on railroads in Alaska-----		9, 600	7, 000	7, 000	-----	-----	-----	-----	-----
Total, Bureau of Internal Revenue-----		136, 309, 600	186, 707, 000	184, 707, 000	+ 48, 397, 400	+ 29, 897, 279	-----	-----	-----
BUREAU OF NARCOTICS									
Salaries and expenses-----		1, 167, 400	1, 331, 000	1, 300, 000	+ 132, 600	+ 1, 147	-----	-----	-----
Printing and binding-----		4, 000	4, 000	4, 000	-----	-----	-----	-----	-----
Total, Bureau of Narcotics-----		1, 171, 400	1, 335, 000	1, 304, 000	+ 132, 600	+ 1, 147	-----	-----	-----
BUREAU OF ENGRAVING AND PRINT- ING									
Salaries and expenses-----		10, 400, 000	12, 166, 000	11, 750, 000	+ 1, 350, 000	+ 488, 377	-----	-----	-----
Printing and binding-----		5, 500	5, 500	5, 500	-----	-----	-----	-----	-----
Total, Bureau of Engraving and Printing-----		10, 405, 500	12, 171, 500	11, 755, 500	+ 1, 350, 000	+ 488, 377	-----	-----	-----

* Includes \$1,218,000 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE I—TREASURY DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
SECRET SERVICE						
Departmental salaries-----	\$72, 500	\$103, 500	\$100, 000	+\$27, 500	+\$17, 390	—\$3, 500
Printing and binding-----	7, 000	8, 000	8, 000	+1, 000	+1, 000	-----
Suppressing counterfeiting and other crimes-----	1, 400, 000	1, 911, 000	1, 800, 000	+400, 000	+262, 597	—111, 000
White House Police, salaries-----	260, 000	325, 000	325, 000	+65, 000	+25, 230	-----
Uniforms and equipment-----	9, 000	9, 000	9, 000	-----	-----	-----
Guard force, salaries-----	654, 000	837, 000	825, 000	+171, 000	+46, 396	—12, 000
Reimbursement to District of Columbia-----	31, 500	45, 000	45, 000	+13, 500	+13, 500	-----
Total, Secret Service-----	2, 434, 000	3, 238, 500	3, 112, 000	+678, 000	+366, 113	—126, 500
BUREAU OF THE MINT						
Director's office, salaries and expenses-----	145, 000	180, 500	170, 000	+25, 000	+7, 096	—10, 500
Freight on bullion and coin-----	12, 800	94, 000	85, 000	+72, 200	+72, 200	—9, 000
Operation of mints and assay offices-----	5, 400, 000	6, 775, 000	6, 000, 000	+600, 000	+442, 907	—775, 000

Printing and binding-----	8, 000	9, 500	9, 500	+1, 500	+1, 500	-----
Total, mints and assay offices-----	5, 565, 800	7, 059, 000	6, 264, 500	+ 698, 700	+ 523, 703	-794, 500
PROCUREMENT DIVISION, SUPPLY BRANCH-----						
Salaries and expenses-----	1, 300, 000	1, 327, 000	1, 227, 000	-73, 000	-229, 049	-100, 000
Printing and binding-----	150, 000	150, 000	150, 000	-----	-----	-----
Surplus Property Program-----	14, 999, 000	-----	-----	-14, 999, 000	-14, 999, 000	-----
Total, Procurement Division, Branch of Supply-----	16, 449, 000	1, 477, 000	1, 377, 000	-15, 072, 000	-15, 228, 049	-100, 000
Total, Treasury Department, title I, regular annual ap- propriations-----	304, 446, 060	335, 978, 000	325, 495, 500	+21, 049, 440	-7, 020, 235	-10, 482, 500

TITLE II—POST OFFICE DEPARTMENT

POST OFFICE DEPARTMENT, WASHINGTON, D. C.						
<i>Salaries</i>						
Postmaster General, office of-----	\$ 260, 150	\$335, 000	\$319, 900	+\$59, 750	+\$24, 903	-\$15, 100
Office of Budget and Administrative Planning-----	\$ 37, 850	53, 600	50, 650	+ 12, 800	+ 8, 590	- 2, 950
First Assistant Postmaster General, office of-----	7 742, 300	964, 600	940, 000	+ 197, 700	+ 91, 067	- 24, 600

⁶ Includes \$12,700 in First Deficiency Act, 1946.

⁶ Includes \$1,200 in First Deficiency Act, 1946.

⁷ Includes \$31,500 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or de- crease (—), bill com- pared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropria- tions including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
POST OFFICE DEPARTMENT, WASHINGTON, D. C.—continued						
<i>Salaries—Continued</i>						
Second Assistant Postmaster Gen- eral, office of-----	⁸ \$573, 850	\$774, 000	\$750, 000	+\$176, 150	+\$91, 771	—\$24, 000
Third Assistant Postmaster Gen- eral, office of-----	⁹ 909, 000	1, 183, 000	1, 148, 000	+239, 000	+104, 637	—35, 000
Fourth Assistant Postmaster Gen- eral, office of-----	¹⁰ 483, 540	659, 800	630, 000	+146, 460	+80, 737	—29, 800
Solicitor's office-----	¹¹ 125, 900	170, 000	147, 500	+21, 600	+6, 061	—22, 500
Chief inspector's office-----	¹² 301, 400	393, 000	368, 000	+66, 600	+22, 743	—25, 000
Purchasing agent's office-----	58, 200	67, 800	67, 800	+9, 600	+1, 081	-----
Bureau of Accounts-----	¹³ 414, 400	544, 000	500, 000	85, 600	+30, 552	—44, 000
Total salaries-----	3, 906, 590	5, 144, 800	4, 921, 850	+1, 015, 260	+462, 142	—222, 950

CONTINGENT

Miscellaneous expenses, Washington-----	14 158, 000	160, 000	155, 000	-3, 000	-3, 000	-5, 000
Printing and binding-----	1, 750, 000	1, 856, 000	1, 825, 000	+75, 000	+75, 000	-31, 000
Total, contingent expenses, Washington-----	1, 908, 000	2, 016, 000	1, 980, 000	+72, 000	+72, 000	-36, 000
Grand total, Post Office De- partment, Washington, D. C-----	5, 814, 590	7, 160, 800	6, 901, 850	+1, 087, 260	+534, 142	-258, 950
POSTAL SERVICE						
<i>Office of Postmaster General</i>						
Travel and miscellaneous expenses-----	3, 000	3, 000	3, 000	-----	-----	-----
Personal property claims-----	15 140, 000	124, 000	124, 000	-16, 000	-16, 000	-----
Adjusted losses and contingencies-----	55, 000	55, 000	55, 000	-----	-----	-----
Inspectors:						
Salaries of-----	3, 073, 375	4, 000, 000	3, 838, 000	+764, 625	+353, 425	-162, 000
Traveling and miscellaneous ex- penses of-----	956, 250	1, 014, 000	960, 000	+3, 750	+3, 750	-54, 000

⁸ Includes \$20,600 in First Deficiency Act, 1946.⁹ Includes \$30,000 in First Deficiency Act, 1946.¹⁰ Includes \$28,800 in First Deficiency Act, 1946.¹¹ Includes \$5,300 in First Deficiency Act, 1946.¹² Includes \$9,600 in First Deficiency Act, 1946.¹³ Includes \$9,400 in First Deficiency Act, 1946.¹⁴ Includes \$25,000 in First Deficiency Act, 1946.¹⁵ Includes \$65,000 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947 —
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—) compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
POSTAL SERVICE—continued						
<i>Office of Postmaster General—Con.</i>						
Clerks at headquarters-----	10 \$982, 500	\$1, 113, 500	\$1, 073, 500	+\$91, 000	—\$85, 844	—\$40, 000
Rewards, payment of-----	55, 000	55, 000	55, 000	-----	-----	-----
Total, office of Postmaster General-----	5, 265, 125	6, 364, 500	6, 108, 500	+\$843, 375	+ 255, 331	— 256, 000
<i>First Assistant Postmaster General</i>						
Postmasters-----	59, 773, 000	75, 000, 000	74, 000, 000	+14, 227, 000	+ 2, 180, 533	—1, 000, 000
Assistant postmasters-----	10, 071, 000	12, 011, 000	11, 440, 000	+1, 369, 000	—716, 528	—571, 000
Clerks, first- and second-class post offices-----	302, 000, 000	394, 870, 000	391, 870, 000	+89, 870, 000	+20, 870, 266	—3, 000, 000
Contract stations-----	2, 900, 000	3, 200, 000	3, 100, 000	+ 200, 000	+ 200, 000	—100, 000
Separating mails at third- and fourth-class post offices-----	427, 400	192, 000	180, 000	—247, 400	—247, 400	—12, 000
Unusual conditions at post offices----	500, 000	50, 000	50, 000	—450, 000	—450, 000	-----

Clerks, third-class offices-----	11, 492, 000	18, 152, 000	17, 512, 000	+ 6, 020, 000	+ 469, 151	- 640, 000
Miscellaneous items, first- and second-class post offices-----	3, 200, 000	3, 200, 000	3, 000, 000	- 200, 000	- 362, 680	- 200, 000
Village delivery service-----	375, 000	273, 400	273, 400	- 101, 600	- 123, 884	-----
Detroit River postal service-----	12, 990	12, 990	12, 990	-----	-----	-----
Carfare and bicycle allowance including special-delivery carfare--	1, 575, 000	1, 591, 000	1, 575, 000	-----	-----	- 16, 000
Letter carriers, city delivery service--	172, 000, 000	218, 300, 000	217, 000, 000	+ 45, 000, 000	+ 13, 545, 876	- 1, 300, 000
Fees to special-delivery messengers--	11, 500, 000	13, 176, 000	12, 500, 000	+ 1, 000, 000	+ 745, 537	- 676, 000
Rural delivery service-----	93, 598, 000	115, 000, 000	114, 500, 000	+ 20, 902, 000	+ 7, 263, 149	- 500, 000
Total, office of First Assistant--	669, 424, 390	855, 028, 390	847, 013, 390	+ 177, 589, 000	+ 43, 374, 020	- 8, 015, 000
<i>Second Assistant Postmaster General</i>						
Inland transportation:						
Star-route service (except Alaska)-----	19, 150, 000	21, 000, 000	20, 700, 000	+ 1, 550, 000	+ 1, 550, 000	- 300, 000
Star routes in Alaska-----	400, 000	400, 000	375, 000	- 25, 000	- 25, 000	- 25, 000
Steamboat or other power-boat routes-----	500, 000	1, 737, 000	1, 600, 000	+ 1, 100, 000	+ 1, 100, 000	- 137, 000
Railroad routes and mail-messenger service-----	145, 000, 000	138, 000, 000	137, 000, 000	- 8, 000, 000	- 8, 000, 000	- 1, 000, 000

¹⁰ Includes \$22,500 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or de- crease (-), bill com- pared with 1946 appropriations	Increase (+) or decrease (-), bill compared with 1946 appropri- ations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (-), bill compared with 1947 Budget estimates
POSTAL SERVICE—continued						
<i>Second Assistant Postmaster General—Continued</i>						
Railway mail service:						
Salaries-----	\$74, 000, 000	\$86, 000, 000	\$85, 500, 000	+\$11, 500, 000	-\$217, 084	-\$500, 000
Travel allowance to railway postal clerks-----	4, 025, 000	5, 040, 000	4, 800, 000	+775, 000	+775, 000	-240, 000
Travel expenses, superintend- ents, chief clerks, etc-----	61, 300	58, 000	58, 000	-3, 300	-3, 300	-----
Rent, light, fuel, etc-----	420, 600	430, 000	415, 000	-5, 600	-5, 600	-15, 000
By electric and cable cars-----	235, 000	238, 000	235, 000	-----	-----	-3, 000
Foreign mail transportation (ex- cluding foreign air mail)-----	400, 000	5, 000, 000	4, 000, 000	+3, 600, 000	+3, 600, 000	-1, 000, 000
Foreign countries, balances due-----	(17)	(17)	(17)	-----	-----	-----
Foreign air-mail transportation-----	4, 836, 000	5, 000, 000	5, 000, 000	+164, 000	+164, 000	-----

Indemnities for loss or injury of international mail-----	8,000	8,000	8,000	-----	-----	-----
Domestic air-mail transportation----	43,315,000	50,000,000	49,000,000	+5,685,000	+5,665,980	-1,000,000
Total, Office of Second Assistant-----	292,350,900	312,911,000	308,691,000	16,340,100	+4,603,996	-4,220,000
<i>Third Assistant Postmaster General</i>						
Stamps, stamped envelopes, newspaper wrappers, and postal cards--	6,500,000	7,402,000	6,500,000	-----	-4,200	-902,000
Indemnity for loss of registered mail, etc.-----	¹⁸ 14 1,998,000	2,364,000	2,200,000	+202,000	+202,000	-164,000
Unpaid money orders-----	¹⁹ 15 1,190,000	1,595,000	1,300,000	+110,000	+110,000	-295,000
Total, Office of Third Assistant-----	9,688,000	11,361,000	10,000,000	+312,000	+307,800	-1,361,000
<i>Fourth Assistant Postmaster General</i>						
Stationery, equipment, and supplies--	²⁰ 4,903,600	6,384,000	6,000,000	+1,096,400	+1,079,450	-384,000
Equipment shops-----	2,480,000	2,664,000	2,575,000	+95,000	-47,514	-89,000
Rent, light, and fuel-----	11,700,000	12,825,000	12,525,000	+825,000	+825,000	-300,000
Pneumatic-tube service (New York)---	537,000	-----	-----	-537,000	-586,700	-----
Pneumatic-tube service (Boston)-----	24,000	-----	-----	-24,000	-24,000	-----

¹⁴ Includes \$25,000 in First Deficiency Act, 1946.¹⁵ Includes \$65,000 in First Deficiency Act, 1946.¹⁷ Unexpended balance continued available.¹⁸ Includes \$728,000 in First Deficiency Act, 1946.¹⁹ Includes \$390,000 in First Deficiency Act, 1946.²⁰ Includes \$3,600 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947 —
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
POSTAL SERVICE—continued						
<i>Fourth Assistant Postmaster General—Continued</i>						
Pneumatic-tube service (New York and Boston)-----		\$608, 700	\$608, 700	+ \$608, 700	+ \$608, 700	-----
Vehicle service-----	\$21, 848, 400	36, 950, 000	33, 650, 000	+ 11, 801, 600	+ 9, 873, 407	—\$3, 300, 000
Transportation of equipment-----	320, 000	745, 500	520, 000	+ 200, 000	+ 200, 000	—225, 500
Public buildings, maintenance and operation:						
Operating force-----	27, 164, 000	37, 620, 000	37, 000, 000	+ 9, 836, 000	+ 3, 468, 625	—620, 000
Operating supplies-----	6, 500, 000	6, 797, 500	6, 650, 000	+ 150, 000	+ 150, 000	—147, 500
Furniture, etc.-----	550, 000	818, 800	818, 000	+ 268, 000	+ 268, 000	—800
Total, Office of Fourth Assistant-----	76, 027, 000	105, 413, 500	100, 346, 700	+ 24, 319, 700	+ 15, 814, 968	—5, 066, 800
Total, postal service-----	1, 052, 755, 415	1, 291, 078, 390	1, 272, 159, 590	+ 219, 404, 175	+ 64, 356, 115	—18, 918, 800

Total, Post Office Department	5, 814, 590	7, 160, 800	6, 901, 850	+ 1, 087, 260	+ 534, 142	- 258, 950
Total, Title II	1, 058, 570, 005	1, 298, 239, 190	1, 279, 061, 440	+ 220, 491, 435	+ 64, 890, 257	- 19, 177, 750
Grand total, Titles I and II	1, 363, 016, 065	1, 634, 217, 190	1, 604, 556, 940	+ 241, 540, 875	+ 57, 870, 022	- 29, 660, 250

PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS

Object	Appropriations, 1946	Estimates, 1947	Increase (+) or decrease (-)
ANNUAL INDEFINITE APPROPRIATIONS			
Internal-revenue refunds	\$2, 584, 000, 000	\$1, 570, 000, 000	-\$1, 014, 000, 000
Payment of certified claims	1, 500, 000	1, 500, 000	-----
Refunds, drawbacks, etc	15, 000, 000	15, 000, 000	-----
Refund of moneys erroneously received and covered	400, 000	400, 000	-----
Total, annual indefinite appropriations	2, 600, 900, 000	1, 586, 900, 000	-1, 014, 000, 000
PERMANENT APPROPRIATIONS			
General and special funds:			
Excess profits tax, refund bonds	100, 000, 000	-----	-100, 000, 000
Interest on deposits of public money of Philippine Islands	2, 010, 000	2, 010, 000	-----
Pershing Hall memorial fund	5, 043	5, 043	-----
War contributions fund	175, 000	-----	-175, 000
Redemption of bonds from repayment of Public Works Administration loans	5, 000, 000	5, 000, 000	-----
* Includes \$6,155,000 for "Refunds and payments of processing and related taxes, Bureau of Internal Revenue."			

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS—Continued

Object	Appropriations, 1946	Estimates, 1947	Increase (+) or decrease (—)
PERMANENT APPROPRIATIONS—continued			
General and special funds—Continued			
Sinking fund-----	\$587,560,154	\$587,560,154	-----
Interest on the public debt-----	4,750,000,000	5,000,000,000	+\$250,000,000
Miscellaneous gifts, forfeitures, etc-----	5,000	5,000	-----
Obligations retired from Federal Intermediate Credit Bank franchise tax receipts-----	305,797	150,000	—155,797
Contingent expenses, national currency (reimbursable)-----	1,800	2,500	+700
Total, general and special funds-----	5,445,062,794	5,594,732,697	+149,669,903
Trust funds:			
Federal old-age and survivors insurance trust fund-----	1,245,006,473	1,590,816,569	+345,810,096
Unemployment trust fund-----	1,316,489,773	1,248,143,301	—68,346,472
Unclaimed moneys, payment of-----	65,000	65,000	-----
Philippine trust fund, coconut oil (internal revenue)-----	6,410,000	1,150,000	—5,260,000
Philippine trust fund (internal revenue)-----	500	500	-----
Puerto Rico trust fund (internal revenue)-----	10,000	10,000	-----

Expenses, Prohibition Act, Puerto Rico and Virgin Islands-----	68, 570	68, 000	--570
American Samoa trust fund-----	1, 500	1, 500	-----
Total, trust funds-----	2, 568, 051, 816	2, 840, 254, 870	+ 272, 203, 054

O

NOTICE: This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

[FULL COMMITTEE PRINT]

Union Calendar No.

79TH CONGRESS
2^D SESSION

H. R. 5452

[Report No. 1554]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY , 1946

Mr. LUDLOW, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **TITLE I—TREASURY DEPARTMENT**

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1947,
7 namely:

OFFICE OF THE SECRETARY

Salaries: Secretary of the Treasury, Under Secretary of the Treasury, Fiscal Assistant Secretary of the Treasury, two Assistant Secretaries of the Treasury, and other personal services in the District of Columbia, \$422,000: *Provided*, That no part of the money appropriated shall be used to pay the salaries of more than eighteen messengers assigned to duty in the Office of the Secretary.

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Treasury Department as required by section 2 of the Act of June 28, 1944 (Public Law 364), \$4,400,000.

FOREIGN FUNDS CONTROL

Foreign funds control: For all expenses necessary in carrying out the functions of the Secretary of the Treasury under sections 3 and 5 (b) of the Act of October 6, 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C. (Suppl. 1941) 5 (b)), and any proclamations, orders, regulations, or instructions issued thereunder; and in exercising fiscal, financial, banking, property-control, and related functions, authorized by law, administered by the Treasury Department in foreign countries and arising out of military operations of the United States; including personal services; purchase of lawbooks, books of reference, periodicals, and newspapers; printing and binding; maintenance, re-

Availability of balances for refunds and payments of processing and related taxes (pp. 15-16).

Transfer of funds from agencies for functions transferred to Procurement Div. (pp. 25-26).

Method of payments to general supply fund of
Procurement Div. (pp. 26-8).

Limitations of typewriter costs (pp. 29-30).

Joint Telephone services at Post Offices (p. 45).

Manufacture by P. O. of small equipment for other agencies (p. 42).

Permits transfer of funds to other agencies for chemical investigations (p. 35).



1 pair, and operation of a motor-propelled passenger-carrying
2 vehicle; and reimbursement of any other appropriation or
3 other funds of the United States or any agency, instrumen-
4 tality, Territory, or possession thereof, including the Philip-
5 pine Islands, and reimbursement of any Federal Reserve
6 bank for printing and other expenditures; \$1,000,000.

7 DIVISION OF TAX RESEARCH

8 Salaries: For personal services in the District of Colum-
9 bia, \$175,000.

10 OFFICE OF TAX LEGISLATIVE COUNSEL

11 Salaries: For personal services in the District of Colum-
12 bia, \$87,500.

13 DIVISION OF RESEARCH AND STATISTICS

14 Salaries: For personal services in the District of Colum-
15 bia, \$165,000.

16 OFFICE OF GENERAL COUNSEL

17 Salaries: For the General Counsel and other personal
18 services in the District of Columbia, \$175,000.

19 DIVISION OF PERSONNEL

20 Salaries: For the Chief of the Division, and other per-
21 sonal services in the District of Columbia, \$190,000.

22 OFFICE OF CHIEF CLERK

23 Salaries: For the Chief Clerk and other personal services
24 in the District of Columbia, \$350,000.

1 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

2 Miscellaneous expenses: For all necessary miscellaneous
3 expenses of the Office of the Secretary and the bureaus
4 and offices of the Treasury Department, not otherwise pro-
5 vided for; including operating expenses of the Treasury,
6 Treasury Annex, Auditors', and Liberty Loan Buildings;
7 books of reference, lawbooks, and periodicals; newspapers;
8 not to exceed \$15,000 for travel expenses; maintenance,
9 operation, and repair of three passenger automobiles (one
10 for the Secretary of the Treasury and two for general use
11 of the Department), all to be used for official purposes only;
12 not to exceed \$500 for streetcar fares; and not to exceed
13 \$25,000 for stationery; \$230,000.

14 Printing and binding: For printing and binding for
15 the Treasury Department and its several bureaus and offices,
16 and field services thereof, except such bureaus and offices
17 as may be otherwise specifically provided for, including
18 materials for the use of the bookbinder, located in the Treas-
19 ury Department, but not including work done at the
20 New York Customhouse bindery authorized by the Joint
21 Committee on Printing in accordance with the Act of March
22 1, 1919 (44 U. S. C. 111), \$28,000.

23 CUSTODY OF TREASURY BUILDINGS

24 Salaries of operating force: For the Superintendent of
25 Treasury Buildings and for other personal services in the

1 District of Columbia, including the operating force of the
2 Treasury Building, the Treasury Annex, the Liberty Loan
3 Building, the Auditors' Building, and the west and south
4 annexes thereof, \$555,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For all necessary expenses in
8 the District of Columbia, except printing and binding of the
9 Bureau of Accounts, including contract stenographic report-
10 ing services, stationery (not to exceed \$10,000), supplies
11 and equipment; purchase and exchange of lawbooks, books
12 of reference, periodicals, and newspapers; travel expenses,
13 \$850,000.

14 Salaries and expenses, deposit of withheld taxes: For
15 all necessary expenses incident to the deposit of withheld
16 taxes in Government depositories pursuant to the Current
17 Tax Payment Act of 1943, including personal services in
18 the District of Columbia; not to exceed \$15,000 for print-
19 ing and binding; and reimbursement to Federal Reserve
20 banks for printing and other necessary expenses, \$475,000.

21 Printing and binding: For printing and binding for
22 the Bureau of Accounts, \$35,000.

23 Division of Disbursement, salaries and expenses: For
24 all necessary expenses, except printing and binding, of the
25 Division of Disbursement, including personal services in

1 the District of Columbia, stationery and travel; \$7,100,000,
2 of which not to exceed \$1,000,000 shall be available imme-
3 diately: *Provided*, That with the approval of the Bureau of
4 the Budget there may be transferred to this appropriation
5 and to the appropriation "Printing and binding, Division of
6 Disbursement" from funds respectively available for such
7 purposes for the Federal Housing Administration, Federal
8 Public Housing Authority, Federal Prison Industries, Rail-
9 road Retirement Board, United States Maritime Commission,
10 the Farm Security Administration, and the Production and
11 Marketing Administration (including the Federal Surplus
12 Commodities Corporation, the Federal Crop Insurance Cor-
13 poration, and the Commodity Credit Corporation), such
14 sums as may be necessary to cover the expense incurred in
15 performing the function of disbursement therefor.

16 Printing and binding: For printing and binding,
17 Division of Disbursement, including the cost of transporta-
18 tion to field offices of printed and bound material and the cost
19 of necessary packing boxes and packing materials, \$184,000.

20 Contingent expenses, public moneys: For contingent
21 expenses under the requirements of section 3653 of the Re-
22 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
23 ing, transfer, and disbursement of the public money, trans-
24 portation of notes, bonds, and other securities of the United
25 States, transportation of gold coin and gold certificates trans-

ferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649, Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$415,000.

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$140,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska (not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska), to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$19,000.

Refund of moneys erroneously received and covered (indefinite appropriation): To enable the Secretary of the Treasury to meet any expenditures of the character formerly

1 chargeable to the appropriation accounts abolished under
2 section 18 of the Permanent Appropriation Repeal Act of
3 1934, approved June 26, 1934, and any other collections
4 erroneously received and covered which are not properly
5 chargeable to any other appropriation, there is hereby made
6 available such amount as may be necessary.

7 . Payment of certified claims (indefinite appropriation) :
8 To enable the Secretary of the Treasury to pay claims (not
9 to exceed \$500 in any case) which may be certified during
10 the fiscal year 1947 by the Comptroller General of the
11 United States to be lawfully due, within the limits of, and
12 chargeable against the balances of the respective appro-
13 priations heretofore made which, after remaining unexpended,
14 have been carried to the surplus fund pursuant to section 5
15 of the Act of June 20, 1874 (31 U. S. C. 713), there is
16 hereby made available such sum as may be necessary.

17 . Payment of unclaimed moneys (indefinite appropria-
18 tion) : To enable the Secretary of the Treasury to meet any
19 expenditures of the character formerly chargeable to the
20 appropriation accounts abolished under section 17 of the
21 Permanent Appropriation Repeal Act of 1934, approved
22 June 26, 1934, payable from the funds held by the United
23 States in the trust fund receipt account "Unclaimed moneys
24 of individuals whose whereabouts are unknown", there is
25 hereby made available such amount as may be necessary.

BUREAU OF THE PUBLIC DEBT

Administering the public debt: For necessary expenses connected with any public-debt operations authorized by the Second Liberty Bond Act, as amended (31 U. S. C. 760-762), and with the administration of any public debt or currency issues of the United States with which the Secretary of the Treasury is charged, \$64,700,000, to be expended as the Secretary of the Treasury may direct: *Provided*, That from the amount appropriated herein, the Federal Reserve banks and their branches may be reimbursed for expenditures made by them as fiscal agents of the United States on account of public-debt transactions for the account of the Secretary of the Treasury, and advances to the Postmaster General may be made in accordance with the provisions of section 22 (c) of the Second Liberty Bond Act, as amended (31 U. S. C. 757c (c)), which section shall be construed as applying to this appropriation: *Provided further*, That the indefinite appropriation provided by section 10 of the Second Liberty Bond Act, as amended, shall not be available for obligation during the fiscal year 1947.

Distinctive paper for United States currency: For distinctive paper for United States currency, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees and allowance, in lieu

1 of expenses, of officer or officers detailed from the Treasury
2 Department, not exceeding \$50 per month each when ac-
3 tually on duty, \$775,000: *Provided*, That in order to foster
4 competition in the manufacture of distinctive paper for
5 United States securities, the Secretary of the Treasury is
6 authorized, in his discretion, to split the award for such
7 paper for the fiscal year 1947 between the two bidders
8 whose prices per pound are the lowest received after adver-
9 tisement.

10 OFFICE OF THE TREASURER OF THE UNITED STATES

11 Salaries and expenses: For all necessary expenses, ex-
12 cept printing and binding, of the Office of the Treasurer of
13 the United States, including purchase of periodicals and
14 books of reference, \$4,750,000: *Provided*, That with the
15 approval of the Bureau of the Budget, there may be trans-
16 ferred to this appropriation and to the appropriation "Print-
17 ing and binding, Office of the Treasurer of the United
18 States", from funds respectively available for such purposes
19 for the Home Owners' Loan Corporation, Tennessee Valley
20 Authority, Reconstruction Finance Corporation, Federal land
21 banks and other banks and corporations under the super-
22 vision of the Farm Credit Administration, Railroad Retire-
23 ment Board, United States Maritime Commission, Federal
24 Housing Administration, Federal Public Housing Authority,
25 Federal Farm Mortgage Corporation, Farm Security Ad-

1 ministration, Production and Marketing Administration
2 (including the Federal Surplus Commodities Corporation,
3 the Federal Crop Insurance Corporation, and the Com-
4 modity Credit Corporation), and corporations and banks
5 under the Federal Home Loan Bank Administration, such
6 sums as may be necessary to cover the expenses incurred
7 on account of such respective activities in clearing of checks,
8 servicing of bonds, handling of collections, and rendering of
9 accounts therefor.

10 Salaries (reimbursable) : For personal services in the
11 District of Columbia, in redeeming Federal Reserve notes,
12 \$110,000, to be reimbursed by the Federal Reserve banks.

13 Printing and binding: For printing and binding for
14 the Office of the Treasurer of the United States, \$215,000.

15 BUREAU OF CUSTOMS

16 Salaries and expenses: For collecting the revenue from
17 customs, for enforcement, as specified in Executive Order
18 9083, of certain navigation laws, for the detection and pre-
19 vention of frauds upon the customs revenue, and not to exceed
20 \$100,000 for the securing of evidence of violations of the
21 customs and navigation laws; for expenses of transportation
22 and transfer of customs receipts from points where there are
23 no Government depositories; not to exceed \$84,500 for for-
24 eign living allowances; not to exceed \$500 for subscriptions
25 to newspapers; not to exceed \$85,000 for stationery; not

1 to exceed \$12,000 for improving, repairing, maintaining,
2 or preserving buildings, inspection stations, office quarters,
3 including living quarters for officers, sheds, and sites along
4 the Canadian and Mexican borders acquired under authority
5 of the Act of June 26, 1930 (19 U. S. C. 68) ; and for the
6 purchase (not to exceed one hundred and fifty), mainte-
7 nance, repair, and operation of motor-propelled passenger-
8 carrying vehicles when necessary for official use in field
9 work; for the payment of extra compensation earned by
10 customs officers or employees for overtime services, at the
11 expense of the parties in interest, in accordance with the
12 provisions of section 5 of the Act approved February 13,
13 1911, as amended by the Act approved February 7, 1920,
14 and section 451 of the Tariff Act, 1930, as amended (19 U.
15 S. C. 261, 267, and 1451), the receipts from such overtime
16 services to be deposited as a refund to the appropriation
17 from which such overtime compensation is paid, in accord-
18 ance with the provisions of section 524 of the Tariff Act
19 of 1930, as amended; for the cost of seizure storage and dis-
20 position of any merchandise, vehicle and team, automobile,
21 boat, air or water craft, or any other conveyance seized
22 under the provisions of the customs laws; for the purchase
23 of arms, ammunition, and accessories; not to exceed
24 \$689,000 for personal services in the District of Co-
25 lumbia exclusive of ten persons from the field force

1 authorized to be detailed under section 525 of the Tariff
2 Act of 1930; and reimbursement, at not to exceed 3 cents
3 per mile, of employees for travel performed by them in pri-
4 vately owned automobiles while engaged in inspecting,
5 guarding, admeasuring, examining, sampling, investigating,
6 and storekeeping duties within the limits of their official
7 station; \$29,350,000, of which \$300,000 shall constitute an
8 advance fund to enable the Bureau of Customs to meet obli-
9 gations incurred by it arising from services rendered to
10 private interests, pending receipt of reimbursements there-
11 from, which amount shall be returned to the Treasury not
12 later than six months after the close of the fiscal year 1947.

13 Printing and binding: For printing and binding, Bureau
14 of Customs, including the cost of transportation to field offices
15 of printed and bound material and the cost of necessary
16 packing boxes and packing materials, \$80,000.

17 Refunds and drawbacks (indefinite appropriation):
18 For the refund or payment of customs collections or receipts,
19 and for the payment of debentures or drawbacks, bounties,
20 and allowances, as authorized by law, there is hereby made
21 available such amount as may be necessary.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For salaries and expenses in
24 connection with the assessment and collection of internal-
25 revenue taxes and the administration of the internal-revenue

1 laws, including the administration of such provisions of other
2 laws as are authorized by or pursuant to law to be admin-
3 istered by or under the direction of the Commissioner of
4 Internal Revenue, including one stamp agent (to be reim-
5 bursed by the stamp manufacturers) and the employment
6 of experts; the securing of evidence of violations of the Acts,
7 the cost of chemical analyses made by others than em-
8 ployees of the United States and expenses incident to such
9 chemists testifying when necessary; telegraph and telephone
10 service, postage, freight, express, necessary expenses in-
11 curred in making investigations in connection with the en-
12 rollment or disbarment of practitioners before the Treasury
13 Department in internal-revenue matters, expenses of seizure
14 and sale, and other necessary miscellaneous expenses, in-
15 cluding stenographic reporting services; for the acquisition
16 of property under the provisions of title III of the Liquor
17 Law Repeal and Enforcement Act, approved August 27,
18 1935 (49 Stat. 872-881), and the operation, maintenance,
19 and repair of property acquired under such title III; for
20 the purchase (not to exceed thirty-four), hire, maintenance,
21 repair, and operation of motor-propelled or horse-drawn
22 passenger-carrying vehicles when necessary, for official use
23 of the Alcohol Tax and Intelligence Units in field work;
24 printing and binding (not to exceed \$2,200,000); and the
25 procurement of such supplies, stationery (not to exceed

1 \$1,575,000), equipment, furniture, mechanical devices, labo-
2 ratory supplies, periodicals, newspapers for the Alcohol Tax
3 Unit, ammunition, lawbooks, and books of reference, and
4 such other articles as may be necessary, \$184,700,000, of
5 which amount not to exceed \$14,440,000 may be expended
6 for personal services in the District of Columbia: *Provided*,
7 That not more than \$100,000 of the total amount appro-
8 priated herein may be expended by the Commissioner of
9 Internal Revenue for detecting and bringing to trial persons
10 guilty of violating the internal-revenue laws or conniving at
11 the same, including payments for information and detection
12 of such violation.

13 Refunds and payments of processing and related taxes:
14 For refunds and payments of processing and related taxes
15 as authorized by titles IV and VII, Revenue Act of 1936,
16 as amended; for refunds of taxes collected (including penal-
17 ties and interest) under the Cotton Act of April 21, 1934,
18 as amended (48 Stat. 598), the Tobacco Act of June 28,
19 1934, as amended (48 Stat. 1275), and the Potato Act
20 of August 24, 1935 (49 Stat. 782), in accordance with
21 the Second Deficiency Appropriation Act, fiscal year 1938
22 (52 Stat. 1150), as amended, and as otherwise authorized
23 by law; and for redemption of tax stamps purchased under
24 the aforesaid Tobacco and Potato Acts, there is hereby con-
25 tinued available, during the fiscal year 1947, the unexpended

1 balance of the funds made available to the Treasury Depart-
2 ment for these purposes for the fiscal year 1946 by the
3 Treasury Department Appropriation Act, 1946.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$7,000.

12 Refunding internal-revenue collections (indefinite ap-
13 propriation): For refunding internal-revenue collections, as
14 provided by law, including the payment of claims for the
15 prior fiscal years and payment of accounts arising under
16 "Allowance or draw-back (Internal Revenue)", "Redemp-
17 tion of stamps (Internal Revenue)", "Refunding legacy
18 taxes, Act of March 30, 1928", and "Repayment of taxes on
19 distilled spirits destroyed by casualty", there is hereby
20 appropriated such amount as may be necessary: *Provided*,
21 That a report shall be made to Congress by internal-revenue
22 districts and alphabetically arranged of all disbursements
23 hereunder in excess of \$500 as required by section 3 of the
24 Act of May 29, 1928 (sec. 3776, I. R. C.), including the

1 names of all persons and corporations to whom such pay-
2 ments are made, together with the amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses to enforce sections
5 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-
6 3238 of the Internal Revenue Code; the Narcotic Drugs
7 Import and Export Act, as amended (21 U. S. C. 171-
8 184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c and
9 21 U. S. C. 197-198) and the Opium Poppy Control Act
10 of 1942 (21 U. S. C. Supp. IV, 188-188n), includ-
11 ing the employment of executive officers, attorneys, agents,
12 inspectors, chemists, supervisors, clerks, messengers, and
13 other necessary employees in the field and in the Bureau
14 of Narcotics in the District of Columbia, to be appointed
15 as authorized by law; the securing of information and evi-
16 dence of violations of the afore-mentioned laws and regula-
17 tions promulgated thereunder; the costs of chemical analyses
18 made by others than employees of the United States; the
19 purchase of such supplies, equipment, mechanical devices,
20 books, stationery (not to exceed \$6,000), and such other
21 expenditures as may be necessary in the several field offices;
22 cost incurred by officers and employees of the Bureau of
23 Narcotics in the seizure, forfeiture, storage, and disposition
24 of property under the Act of August 9, 1939 (49 U. S. C.

1 781-788) and the internal-revenue laws; hire, maintenance,
 2 repair, and operation of motor-propelled or horse-drawn
 3 passenger-carrying vehicles when necessary for official use
 4 in field work; purchase of arms and ammunition; in all,
 5 \$1,300,000, of which amount not to exceed \$193,319
 6 may be expended for personal services in the Dis-
 7 trict of Columbia: *Provided*, That not exceeding \$10,000
 8 may be expended for the collection and dissemination of in-
 9 formation and appeal for law observance and law enforce-
 10 ment, including cost of printing, purchase of newspapers, and
 11 other necessary expenses in connection therewith: *Provided*
 12 *further*, That not exceeding \$10,000 may be expended for
 13 services or information looking toward the apprehension of
 14 narcotic law violators who are fugitives from justice.

15 Printing and binding: For printing and binding for the
 16 Bureau of Narcotics, \$4,000.

17 BUREAU OF ENGRAVING AND PRINTING

18 For the work of engraving and printing, exclusive of
 19 repay work, during the fiscal year 1947, United States
 20 currency and internal-revenue stamps, including opium
 21 orders and special-tax stamps required under the Act of
 22 December 17, 1914 (26 U. S. C. 1040, 1383), checks,
 23 drafts, and miscellaneous work, as follows:

24 Salaries and expenses: For the Director, two Assistant
 25 Directors, and other personal services in the District of

1 Columbia, including wages of rotary press plate printers
2 at per diem rates and all other plate printers at piece rates
3 to be fixed by the Secretary of the Treasury, not to exceed
4 the rates usually paid for such work; and all other necessary
5 expenses, except printing and binding, including engravers'
6 and printers' materials and other materials, including dis-
7 tinctive and nondistinctive paper, except distinctive paper
8 for United States currency and Federal Reserve bank cur-
9 rency; purchase of card and continuous form checks; equip-
10 ment of, repairs to, and maintenance of buildings and grounds
11 and minor alterations to buildings; periodicals, examples of
12 engraving and printing, including foreign securities and
13 stamps, and books of reference, not to exceed \$500; travel-
14 ing expenses not to exceed \$15,000; articles approved
15 by the Secretary of the Treasury as being necessary
16 for the protection of the person of employees, not to
17 exceed \$2,200; stationery, not to exceed \$5,000; transfer
18 to the Bureau of Standards for scientific investigations in
19 connection with the work of the Bureau of Engraving and
20 Printing, not to exceed \$15,000; and maintenance and
21 operation of two motor-propelled passenger-carrying vehicles;
22 \$11,750,000, to be expended under the direction of the
23 Secretary of the Treasury.

24 Printing and binding: For printing and binding for the
25 Bureau of Engraving and Printing, \$5,500.

1 During the fiscal year 1947 all proceeds derived
2 from work performed by the Bureau of Engraving and Print-
3 ing, by direction of the Secretary of the Treasury, not covered
4 and embraced in the appropriations for such Bureau for such
5 fiscal year, instead of being covered into the Treasury as
6 miscellaneous receipts, as provided by the Act of August 4,
7 1886 (31 U. S. C. 176), shall be credited when received
8 to the appropriations for such Bureau for the fiscal year
9 1947.

10 SECRET SERVICE DIVISION

11 Salaries: For the Chief of the Division and other per-
12 sonal services in the District of Columbia, \$100,000.

13 Suppressing counterfeiting and other crimes: For sal-
14 aries and other expenses in detecting, arresting, and deliver-
15 ing into the custody of the United States marshal or other
16 officer having jurisdiction, dealers and pretended dealers in
17 counterfeit money, persons engaged in counterfeiting, forg-
18 ing, and altering United States notes, bonds, national bank
19 notes, Federal Reserve notes, Federal Reserve bank notes,
20 and other obligations and securities of the United States
21 and of foreign governments (including endorsements thereon
22 and assignments thereof), as well as the coins of the United
23 States and of foreign governments, and persons committing
24 other crimes against the laws of the United States relating
25 to the Treasury Department and the several branches of

1 the public service under its control; purchase (not to exceed
2 sixty), hire, maintenance, repair, and operation of motor-
3 propelled passenger-carrying vehicles when necessary; pur-
4 chase of arms and ammunition; stationery (not to exceed
5 \$7,500) ; traveling expenses; and for no other purpose what-
6 soever, except in the performance of other duties specifically
7 authorized by law, and in the protection of the person of the
8 President and the members of his immediate family and of
9 the person chosen to be President of the United States;
10 \$1,800,000: *Provided*, That of the amount herein appro-
11 priated not to exceed \$15,000 may be expended for the
12 purpose of securing information concerning violations of the
13 laws relating to the Treasury Department, and for services
14 or information looking toward the apprehension of criminals,
15 and all vouchers claiming reimbursement from such amount
16 of \$15,000 shall have the approval of the Chief of the Secret
17 Service before payment.

18 White House Police: For one captain, one inspector,
19 four lieutenants, six sergeants, and one hundred and two
20 privates, at rates of pay provided by law, \$325,000, not-
21 withstanding the provisions of the Act of April 22, 1940
22 (3 U. S. C. 62) .

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President in
2 his discretion may determine, \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For salaries and expenses of the guard force for Treasury
5 Department buildings in the District of Columbia, includ-
6 ing the Bureau of Engraving and Printing, and elsewhere,
7 including purchase, repair, and cleaning of uniforms, pur-
8 chase (not to exceed three), maintenance, repair, and opera-
9 tion of motor-propelled passenger-carrying vehicles, and the
10 purchase of arms and ammunition and miscellaneous equip-
11 ment, \$825,000: *Provided*, That not to exceed \$140,554
12 of the appropriation "Salaries and expenses, Bureau of
13 Engraving and Printing", may be transferred to this appro-
14 priation to cover service rendered such Bureau in connection
15 with the protection of currency, bonds, stamps, and other
16 papers of value the cost of producing which is not covered
17 and embraced in the direct appropriations for such Bureau:
18 *Provided further*, That the Secretary of the Treasury may
19 detail two agents of the Secret Service to supervise such
20 force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces:
25 To enable the Secretary of the Treasury to reimburse the

1 District of Columbia on a monthly basis for benefit payments
2 made from the revenues of the District of Columbia to mem-
3 bers of the White House Police force and such members of
4 the United States Secret Service Division as are entitled
5 thereto under the Act of October 14, 1940 (54 Stat. 1118),
6 to the extent that such benefit payments are in excess of
7 the salary deductions of such members credited to said
8 revenues of the District of Columbia during the fiscal year
9 1947, pursuant to section 12 of the Act of September 1,
10 1916 (39 Stat. 718), as amended, \$45,000.

11 BUREAU OF THE MINT

12 Salaries and expenses, Office of the Director: For per-
13 sonal services in the District of Columbia and for assay
14 laboratory chemicals, fuel, materials, balances, weights,
15 stationery (not to exceed \$700), books, periodicals, speci-
16 mens of coins, ores, and travel and other expenses incident
17 to the examination of mints, visiting mints for the purpose
18 of superintending the annual settlement, and for the collec-
19 tion of statistics relative to the annual production and con-
20 sumption of the precious metals in the United States,
21 \$170,000.

22 Transportation of bullion and coin: For transportation
23 of bullion and coin, by registered mail or otherwise, between
24 mints, assay offices, and bullion depositories, \$85,000, in-

1 cluding compensation of temporary employees and other
2 necessary expenses.

3 Salaries and expenses, mints and assay offices: For com-
4 pensation of officers and employees of the mints at Philadel-
5 phia, Pennsylvania; San Francisco, California; and Denver,
6 Colorado; the assay offices at New York, New York; and
7 Seattle, Washington, and the bullion depositories at Fort
8 Knox, Kentucky; and West Point, New York, including
9 necessary personal services for carrying out the provisions
10 of the Gold Reserve Act of 1934 and the Silver Purchase
11 Act of 1934, and any Executive orders, proclamations, and
12 regulations issued thereunder, and for incidental and con-
13 tingent expenses, including traveling expenses, stationery
14 (not to exceed \$3,900), new machinery and repairs,
15 arms and ammunition, purchase and maintenance of uni-
16 forms and accessories for guards, protective devices, and
17 their maintenance, training of employees in use of firearms
18 and protective devices, maintenance, repair, and operation
19 of three motor-propelled passenger-carrying vehicles, cases
20 and enameling for medals manufactured, net wastage in
21 melting and refining and in coining departments, loss on sale
22 of sweeps arising from the treatment of bullion and the
23 manufacture of coins, not to exceed \$500 for the expenses
24 of the annual assay commission, and not exceeding \$1,000
25 for the acquisition, at the dollar face amount or otherwise, of

1 specimen and rare coins, including United States and foreign
2 gold coins and pieces of gold used as, or in lieu of, money,
3 and ores, for addition to the Government's collection of such
4 coins, pieces, and ores; \$6,000,000.

5 Printing and binding: For printing and binding for the
6 Bureau of the Mint, \$9,500.

7 **PROCUREMENT DIVISION**

8 Salaries and expenses: For the Director of Procurement
9 and other personal services in the District of Columbia and
10 in the field service, and for miscellaneous expenses, includ-
11 ing office supplies and materials, stationery (not to exceed
12 \$31,500), purchase of motortrucks and maintenance and
13 operation of such trucks and motor-propelled passenger-
14 carrying vehicles, telegrams, telephone service, traveling
15 expenses, office equipment, fuel, light, electric current,
16 and other expenses for carrying into effect regulations
17 governing the procurement, warehousing, and distribution
18 by the Procurement Division of the Treasury Department
19 of property, equipment, stores, and supplies in the District
20 of Columbia and in the field, \$1,227,000: *Provided*, That the
21 Secretary of the Treasury is authorized and directed during
22 the fiscal year 1947 to transfer to this appropriation
23 from any appropriations or funds available to the several
24 departments and establishments of the Government for the

1 fiscal year 1947 such amounts as may be approved by
2 the Bureau of the Budget, not to exceed the sum of (a)
3 the amount of the annual compensation of employees who
4 may be transferred or detailed to the Procurement Division,
5 respectively, from any such department or establishment,
6 where the transfer or detail of such employees is incident
7 to a transfer of a function or functions to that Division and
8 (b) such amount as the Bureau of the Budget may deter-
9 mine to be necessary for expenses other than personal
10 services incident to the proper carrying out of functions so
11 transferred: *Provided further*, That when there has been or
12 shall be transferred from any agency of the Government to
13 the Procurement Division any function of warehousing, and
14 the agency from which such function is being transferred
15 is authorized at the time of such transfer to perform functions
16 of procurement, warehousing, or distribution of property,
17 equipment, stores, or supplies for non-Federal agencies the
18 Procurement Division is authorized during the fiscal year
19 1947 to continue the performance of such functions for
20 such non-Federal agencies where such functions are to
21 be discontinued by the agency from which the warehousing
22 function has been transferred, and the receipts, including
23 surcharge, for all issues to and all advances by all non-
24 Federal agencies shall be credited to the general supply
25 fund: *Provided further*, That payments during the fiscal

1 year 1947 to the general supply fund for materials, and
2 supplies (including fuel), and services, and overhead ex-
3 penses for all issues shall be made on the books of the
4 Treasury Department by transfer and counterwarrants pre-
5 pared by the Procurement Division of the Treasury Depart-
6 ment and countersigned by the Comptroller General, such
7 warrants to be based solely on itemized invoices prepared
8 by the Procurement Division at issue prices to be fixed
9 by the Director of Procurement: *Provided further*, That
10 payments covering transactions between the Procurement
11 Division and field offices of other Government agencies
12 whose detailed appropriation or fund accounts are main-
13 tained elsewhere than within the District of Columbia, may
14 be made on the basis of itemized vouchers or invoices
15 prepared by the Procurement Division and sent through
16 the appropriate field offices to the disbursing officers for
17 the agencies involved, who are hereby authorized to make
18 payment based (1) upon certification of the Procurement
19 Division, which shall include the specific statement that
20 the vouchers are issued pursuant to and in conformity with
21 purchase orders or requisitions duly executed by the agency
22 billed, and (2) upon approval and certification of such
23 vouchers by the agency billed, which action shall be based
24 upon acceptance of the Procurement Division certification
25 as made, subject to later adjustment if necessary, the re-

1 responsibility of the certifying officer to be limited to the avail-
2 ability of the funds to be charged: *Provided further*, That
3 the general supply fund may be used to purchase from or
4 through the Public Printer standard forms and blankbook
5 work for field warehouse stocking and issue, but issues
6 thereof shall be made only to Government agencies and
7 shall be chargeable to applicable appropriation authoriza-
8 tions or limitations of such agencies for printing and binding,
9 and reports of such issues shall be made as the Public Printer
10 may require: *Provided further*, That advances received
11 pursuant to law (31 U. S. C. 686) from departments and
12 establishments of the United States Government and the
13 government of the District of Columbia during the fiscal
14 year 1947 shall be credited to the general supply fund:
15 *Provided further*, That during the fiscal year 1947
16 there shall be available from the general supply fund
17 for personal services in the District of Columbia not to
18 exceed \$1,250,000: *Provided further*, That per diem em-
19 ployees engaged in work in connection with operations of
20 the fuel yards may be paid rates of pay approved by the
21 Secretary of the Treasury not exceeding current rates for
22 similar services in the District of Columbia: *Provided further*,
23 That the term "fuel" shall be held to include "fuel oil":
24 *Provided further*, That the reconditioning and repair of sur-
25 plus property and equipment for disposition or reissue to

1 Government service, may be made at cost by the Procure-
2 ment Division, payment therefor to be effected by charging
3 the proper appropriation and crediting the general supply
4 fund: *Provided further*, That all orders for printing and
5 binding for the Treasury Department, exclusive of work
6 performed in the Bureau of Engraving and Printing and
7 exclusive of such printing and binding as may under existing
8 law be procured by field offices under authorization of the
9 Joint Committee on Printing, shall be placed by the Director
10 of Procurement in accord with the provisions of existing
11 law.

12 Repairs to typewriting machines (except bookkeeping
13 and billing machines) in the Government service in the
14 District of Columbia and areas adjacent thereto may be made
15 at cost by the Procurement Division, payment therefor to be
16 effected by charging the proper appropriation and crediting
17 the general supply fund.

18 No part of any money appropriated by this or any other
19 Act shall be used during the fiscal year 1947 for
20 the purchase, within the continental limits of the United
21 States, of any standard typewriting machines (except book-
22 keeping, billing, and electric machines) at a price in excess
23 of the following for models with carriages which will ac-
24 commodate paper of the following widths, to wit: Ten inches

1 (correspondence models), \$70; twelve inches, \$75; four-
2 teen inches, \$77.50; sixteen inches, \$82.50; eighteen inches,
3 \$87.50; twenty inches, \$94; twenty-two inches, \$95;
4 twenty-four inches, \$97.50; twenty-six inches, \$103.50;
5 twenty-eight inches, \$104; thirty inches, \$105; thirty-two
6 inches, \$107.50; or, for standard typewriting machines dis-
7 tinctively quiet in operation, the maximum prices shall be
8 as follows for models with carriages which will accommodate
9 paper of the following widths, to wit: Ten inches, \$80;
10 twelve inches, \$85; fourteen inches, \$90; eighteen inches,
11 \$95: *Provided*, That there may be added to such prices the
12 amount of Federal excise taxes paid or payable with respect
13 to any such machines.

14 Printing and binding: For printing and binding for the
15 Procurement Division, including printed forms and miscel-
16 laneous items for general use of the Treasury Department,
17 the cost of transportation to field offices of printed and bound
18 material and the cost of necessary packing boxes and pack-
19 ing materials, \$150,000, together with not to exceed \$4,000
20 to be transferred from the general supply fund, Treasury
21 Department.

22 No part of any appropriation or authorization in this
23 Act shall be used to pay any part of the salary or expenses
24 of any person whose salary or expenses are prohibited from

1 being paid from any appropriation or authorization in any
2 other Act.

3 This title may be cited as the "Treasury Department
4 Appropriation Act, 1947".

5 TITLE II—POST OFFICE DEPARTMENT

6 The following sums are appropriated in conformity with
7 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office
8 Department for the fiscal year ending June 30, 1947,
9 namely:

10 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
11 COLUMBIA

12 OFFICE OF THE POSTMASTER GENERAL

13 Salaries: For the Postmaster General and other per-
14 sonal services in the office of the Postmaster General in
15 the District of Columbia, \$319,900.

16 SALARIES IN BUREAUS AND OFFICES

17 For personal services in the District of Columbia in
18 bureaus and offices of the Post Office Department in not to
19 exceed the following amounts, respectively:

20 Office of Budget and Administrative Planning,
21 \$50,650.

22 Office of the First Assistant Postmaster General,
23 \$940,000.

24 Office of the Second Assistant Postmaster General,
25 \$750,000.

1 Office of the Third Assistant Postmaster General,
2 \$1,148,000.

3 Office of the Fourth Assistant Postmaster General,
4 \$630,000.

5 Office of the Solicitor for the Post Office Department,
6 \$147,500.

7 Office of the chief inspector, \$368,000.

8 Office of the purchasing agent, \$67,800.

9 Bureau of Accounts, \$500,000.

10 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

11 For all necessary contingent and miscellaneous expenses
12 not otherwise provided for; including maintenance, repair,
13 and operation of two passenger automobiles; purchase and
14 exchange of lawbooks and books of reference; newspapers;
15 and travel expenses of the purchasing agent and of the
16 Solicitor and attorneys connected with his office, not exceed-
17 ing \$1,900; \$155,000.

18 For printing and binding for the Post Office Depart-
19 ment and Postal Service, \$1,825,000.

20 Appropriations hereinafter made for the field service of
21 the Post Office Department, except as otherwise provided,
22 shall not be expended for any of the purposes hereinbefore
23 provided for on account of the Post Office Department in the
24 District of Columbia: *Provided*, That the actual and neces-
25 sary expenses of officials and employees of the Post Office

1 Department and Postal Service, when traveling on official
 2 business, may be paid from the appropriations for the service
 3 in connection with which the travel is performed, and appro-
 4 priations for the fiscal year 1947 shall be available
 5 therefor: *Provided further*, That appropriations hereinafter
 6 made, except such as are exclusively for payment of com-
 7 pensation, shall be available for expenses in connection
 8 with the examination of estimates for appropriations in
 9 the field including per diem allowances in lieu of actual
 10 expenses of subsistence.

11 FIELD SERVICE, POST OFFICE DEPARTMENT

12 OFFICE OF THE POSTMASTER GENERAL

13 Travel expenses, Postmaster General and Assistant
 14 Postmasters General: For travel and miscellaneous expenses
 15 in the Postal Service, offices of the Postmaster General and
 16 Assistant Postmasters General, \$3,000.

17 Personal or property damage claims: To enable the
 18 Postmaster General to pay claims for damages, occurring
 19 during the fiscal year 1947, or in prior fiscal years,
 20 to persons or property in accordance with the provisions
 21 of the Deficiency Appropriation Act, approved June 16,
 22 1921 (5 U. S. C. 392), as amended by the Act approved
 23 June 22, 1934 (31 U. S. C. 224c), \$124,000.

24 Adjusted losses and contingencies: To pay to post-

1 masters, Navy mail clerks, and assistant Navy mail clerks
2 or credit them with the amount ascertained to have been
3 lost or destroyed during the fiscal year 1947, or prior fiscal
4 years, through unavoidable casualty resulting from no fault
5 or negligence on their part, as authorized by the Act ap-
6 proved March 17, 1882, as amended (39 U. S. C. 49),
7 \$55,000.

8 OFFICE OF CHIEF INSPECTOR

9 Salaries of inspectors: For salaries of fifteen inspectors
10 in charge of divisions and eight hundred inspectors, \$3,838,-
11 000.

12 Travel and miscellaneous expenses: For necessary travel
13 expenses of inspectors, inspectors in charge, the chief post-
14 office inspector, and the assistant chief post-office inspector,
15 including reimbursement of not to exceed 3 cents per mile for
16 official travel performed by them in privately owned auto-
17 mobiles within the limits of their official stations, and for the
18 travel expenses of four clerks performing stenographic and
19 clerical assistance to post-office inspectors in the investigation
20 of important fraud cases; for tests, exhibits, documents, pho-
21 tographs, office, and other necessary expenses incurred by
22 post-office inspectors in connection with their official investi-
23 gations, including necessary miscellaneous expenses of
24 division headquarters, and not to exceed \$500 for books of
25 reference needed in the operation of the Post Office Inspection

1 Service, \$960,000: *Provided*, That not exceeding \$24,500
2 of this sum shall be available for transfer by the Postmaster
3 General to other departments and independent establish-
4 ments for chemical and other investigations.

5 Clerks: For compensation of three hundred and eighty-
6 nine clerks in the Post Office Inspection Service, \$1,073,500.

7 Payment of rewards: For payment of rewards for the
8 detection, arrest, and conviction of post-office burglars, rob-
9 bers, highway mail robbers, and persons mailing or causing
10 to be mailed any bomb, infernal machine, or mechanical,
11 chemical, or other device or composition which may ignite,
12 or explode, \$55,000: *Provided*, That rewards may be paid
13 in the discretion of the Postmaster General, when an offender
14 of the classes mentioned was killed in the act of committing
15 the crime or in resisting lawful arrest: *Provided further*,
16 That no part of this sum shall be used to pay any rewards
17 at rates in excess of those specified in Post Office Depart-
18 ment Order 28673, dated July 28, 1945: *Provided further*,
19 That of the amount herein appropriated not to exceed
20 \$20,000 may be expended in the discretion of the Postmaster
21 General, for the purpose of securing information concerning
22 violations of the postal laws and for services and information
23 looking toward the apprehension of criminals.

24 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

25 Compensation to postmasters: For compensation to

1 postmasters, including compensation as postmaster to persons
2 who, pending the designation of an acting postmaster,
3 assume and properly perform the duties of postmaster in
4 the event of a vacancy in the office of postmaster of the
5 third or fourth class, and for allowances for rent, light,
6 fuel, and equipment to postmasters of the fourth class,
7 \$74,000,000.

8 Compensation to assistant postmasters: For compensa-
9 tion to assistant postmasters at first- and second-class post
10 offices, \$11,440,000.

11 Clerks, first- and second-class post offices: For compen-
12 sation to clerks and employees at first- and second-class post
13 offices, including auxiliary clerk hire at summer and winter
14 post offices, printers, mechanics, skilled laborers, watchmen,
15 messengers, mail handlers, and substitutes, \$391,870,000.

16 Contract station service: For contract station serv-
17 ice, \$3,100,000.

18 Separating mails: For separating mails at fourth-class
19 post offices, \$180,000.

20 Unusual conditions: For unusual conditions at post
21 offices, \$50,000.

22 Clerks, third-class post offices: For compensation to
23 clerks at third-class post offices, \$17,512,000.

24 Miscellaneous items, first- and second-class post offices:
25 For miscellaneous items necessary and incidental to the

1 operation and protection of post offices of the first and second
2 classes, and the business conducted in connection therewith,
3 not provided for in other appropriations, \$3,000,000.

4 Village delivery service: For village delivery service in
5 towns and villages having post offices of the second or third
6 class, and in communities adjacent to cities having city
7 delivery, \$273,400.

8 Detroit River service: For Detroit River postal service,
9 \$12,990.

10 Carfare and bicycle allowance: For carfare and bicycle
11 allowance, including special-delivery carfare, cost of trans-
12 porting carriers by privately owned automobiles to and from
13 their routes, at rates not exceeding regular streetcar or bus
14 fare, and purchase, maintenance, and exchange of bicycles,
15 \$1,575,000.

16 City delivery carriers: For pay of letter carriers, City
17 Delivery Service, and United States Official Mail and Mes-
18 senger Service, \$217,000,000.

19 Special-delivery compensation and fees: For compensa-
20 tion and fees to special-delivery messengers, \$12,500,000.

21 Rural Delivery Service: For pay of rural carriers,
22 auxiliary carriers, substitutes for rural carriers on annual and
23 sick leave, clerks in charge of rural stations, tolls and ferriage,
24 and necessary miscellaneous and incidental expenses of the

1 Rural Delivery Service, \$114,500,000, of which not less than
2 \$200,000 shall be available for extensions and new service.

3 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

4 Star-route service: For inland transportation by star
5 routes (excepting service in Alaska), including temporary
6 service to newly established offices, \$20,700,000.

7 Star Route and Air Mail Service, Alaska: For inland
8 transportation by Star Route and Air Mail Service in Alaska,
9 \$375,000.

10 Powerboat service: For inland transportation by steam-
11 boat or other powerboat routes, including ship, steamboat,
12 and way letters, \$1,600,000.

13 Railroad transportation and mail messenger service: For
14 inland transportation by railroad routes and for mail mes-
15 senger service, \$137,000,000: *Provided*, That separate ac-
16 counts be kept of the amount expended for mail messenger
17 service.

18 Railway Mail Service: For fifteen division superinten-
19 dents, fifteen assistant division superintendents, two assistant
20 superintendents at large, one hundred and twenty chief
21 clerks, one hundred and twenty assistant chief clerks, and
22 other employees in the Railway Mail Service, \$85,500,000.

23 Railway postal clerks, travel allowance: For travel
24 allowance to railway postal clerks and substitute railway
25 postal clerks, \$4,800,000.

1 Railway Mail Service, travel expenses: For actual
2 and necessary travel expenses, general superintendent and
3 assistant general superintendent, division superintendents,
4 assistant division superintendents, assistant superintendents,
5 chief clerks, and assistant chief clerks, Railway Mail Service,
6 and railway postal clerks, \$58,000.

7 Railway Mail Service, miscellaneous expenses: For
8 all necessary miscellaneous expenses of the Railway Mail
9 Service not provided for in other appropriations, \$415,000.

10 Electric-car service: For electric-car service, \$235,000.

11 Foreign mail transportation: For transportation of for-
12 eign mails, except by aircraft, \$4,000,000: *Provided*, That
13 the Postmaster General is authorized to spend such sums
14 as may be necessary, not to exceed \$72,000, to cover the
15 cost to the United States for maintaining sea post service
16 on ocean steamships conveying mails to and from the
17 United States.

18 Balances due foreign countries: The unexpended
19 balances of the appropriations, "Balances due foreign
20 countries", for the fiscal years 1944, 1945, and 1946 are
21 hereby made available for the fiscal year 1947 and prior
22 years.

23 Indemnities, international mail: For payment of limited
24 indemnity for the injury or loss of international mail in
25 accordance with convention, treaty, or agreement stipula-

1 tions, fiscal year 1947 and prior years, \$8,000: *Pro-*
 2 *vided*, That the unexpended balances of the appropria-
 3 tions, "Indemnities, international mail," for the fiscal
 4 years 1945 and 1946, are hereby made available for the fiscal
 5 year 1947 and prior years.

6 Foreign air-mail transportation: For transportation of
 7 foreign mails by aircraft, as authorized by law, including
 8 the transportation of mail by aircraft between Seattle, Wash-
 9 ington, and Fairbanks, Alaska, via intermediate points,
 10 \$5,000,000.

11 Domestic Air Mail Service: For the inland transpor-
 12 tation of mail by aircraft, as authorized by law, and for
 13 all necessary miscellaneous and travel expenses, and including
 14 not to exceed \$106,000 for supervisory officials and clerks at
 15 field headquarters, \$49,000,000.

16 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

17 Manufacture and distribution of stamps and stamped
 18 paper: For manufacture and distribution of stamps and
 19 stamped paper, and not to exceed \$27,000 for compensation
 20 to employees of the United States Stamped Envelope Agency,
 21 and for all necessary miscellaneous expenses of said agency,
 22 \$6,500,000.

23 Indemnities, domestic mail: For payment of indemnity
 24 for the injury or loss of domestic registered, insured and
 25 collect-on-delivery mail, and for failure to remit collect-on-

1 delivery charges, fiscal year 1947 and prior years \$2,-
2 200,000.

3 Unpaid money orders more than one year old: For
4 payment of domestic money orders after one year from the
5 last day of the month of issue of such orders, \$1,300,000.

6 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

7 Post office stationery, equipment, and supplies: For the
8 purchase, manufacture, repair, and installation of all neces-
9 sary miscellaneous equipment and supplies for the Postal
10 Service not provided for in other appropriations; for inci-
11 dental expenses of the Postal Service not provided for in
12 other appropriations; accident prevention; for the purchase of
13 atlases and geographical and technical works not to exceed
14 \$1,500; and not exceeding \$112,250 for personal services,
15 and not to exceed \$42,200 for salaries of thirteen traveling
16 mechanics; for rental of canceling machines and motors,
17 mechanical mail-handling apparatus, and other labor-saving
18 devices, and for travel expenses, \$6,000,000 of which \$1,-
19 000,000 shall be available exclusively for the purchase of
20 omnidenominational postage meters, stamp vending ma-
21 chines, coin-operated postage meters, and other modern
22 mechanical postal devices: *Provided*, That the Postmaster
23 General may authorize the sale to the public of post-route
24 maps and rural-delivery maps or blueprints at the cost of
25 printing and 10 per centum thereof added.

1 Equipment shops, Washington, District of Columbia:
2 For the purchase, manufacture, and repair of mail bags and
3 other equipment for the postal service not provided for in
4 other appropriations; accident prevention; for all necessary
5 and miscellaneous expenses incident to the operation, care,
6 maintenance, and protection of the mail equipment shops
7 building, grounds, and equipment, \$2,575,000; of which not
8 to exceed \$869,500 may be expended for personal services
9 in the District of Columbia: *Provided*, That out of this
10 appropriation the Postmaster General is authorized to use
11 as much of the sum, not exceeding \$15,000, as may be
12 deemed necessary for the purchase of material and the manu-
13 facture in the equipment shops of such small quantities of
14 distinctive equipments as may be required by other execu-
15 tive departments; and for service in Alaska, Puerto Rico,
16 Philippine Islands, Hawaii, or other island possessions.

17 Rent, light, power, fuel, and water: For rent, light,
18 power, fuel, and water, for first-, second-, and third-class
19 post offices, and the cost of advertising for lease proposals
20 for such offices, \$12,525,000.

21 Pneumatic-tube service, New York City, and Boston:
22 For rental of not exceeding twenty-eight miles of pneu-
23 matic tubes, hire of labor, communication service, electric
24 power, and other expenses for transmission of mail in the
25 city of New York including the Borough of Brooklyn;

1 and for rental of not exceeding two miles of pneumatic
2 tubes, not including labor and power in operating the
3 same, for the transmission of mail in the city of Boston,
4 Massachusetts, \$608,700: *Provided*, That the Acts of April
5 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C.
6 423), relating to contracts for the transmission of mail by
7 pneumatic tubes or other similar devices shall not be ap-
8 plicable to the city of New York and the provisions not
9 inconsistent herewith of the Acts of April 21, 1902, and
10 May 27, 1908 (39 U. S. C. 423), shall be applicable to the
11 city of Boston.

12 Vehicle service: For the hire, purchase, maintenance,
13 repair, and operation of vehicles for use in the collection,
14 transportation, delivery, and supervision of the mail, includ-
15 ing the repair of vehicles owned by, or under the control
16 of, units of the National Guard and departments and agen-
17 cies of the Federal Government where repairs are made
18 necessary because of utilization of such vehicles in the
19 Postal Service; the rental of garage facilities; accident pre-
20 vention; and including compensation to necessary employees
21 in the Motor Vehicle Service, \$33,650,000 of which
22 \$3,500,000 shall be available immediately and exclu-
23 sively for the purchase of trucks: *Provided*, That the
24 Postmaster General may, in his disbursement of this
25 appropriation, apply a part thereof to the leasing of

1 quarters for the housing of Government-owned motor
2 vehicles at a reasonable annual rental for a term not
3 exceeding ten years: *Provided further*, That the Postmaster
4 General may purchase and maintain from this appropriation
5 such tractors and trailer trucks as may be required in the
6 operation of the vehicle service: *Provided further*, That no
7 part of this appropriation shall be expended for maintenance
8 or repair of motor-propelled passenger-carrying vehicles for
9 use in connection with the administrative work of the Post
10 Office Department in the District of Columbia.

11 Transportation of equipment and supplies: For the trans-
12 portation and delivery of equipment, materials, and supplies
13 for the Post Office Department and Postal Service by freight,
14 express, or motor transportation, and other incidental ex-
15 penses, \$520,000.

16 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

17 Operating force: For compensation to employees in the
18 custodial service, \$37,000,000.

19 Operating supplies, public buildings: For all necessary
20 miscellaneous articles, services and supplies, including trans-
21 portation thereof, required for the operation of completed and
22 occupied public buildings and grounds operated by the Post
23 Office Department, accident prevention, \$6,650,000: *Pro-*
24 *vided*, That the foregoing appropriation shall not be avail-
25 able for personal services except for work done by contract,

1 or for temporary job labor under exigency not exceeding
2 at one time the sum of \$250 at any one building: *Provided*
3 *further*, That the Postmaster General is authorized to con-
4 tract for telephone service in public buildings under his ad-
5 ministration by means of telephone switchboards or equivalent
6 telephone switching equipment jointly serving in each case
7 two or more governmental activities, where he determines
8 that joint service is economical and in the interest of the
9 Government, and to secure reimbursement for the cost of such
10 joint service from available appropriations for telephone
11 expenses of the bureaus and offices receiving the same.

12 Furniture, carpets, and safes, public buildings: For the
13 procurement, including transportation, of furniture, carpets,
14 safes, safe and vault protective devices, and repairs of same,
15 for use in public buildings which are now, or may hereafter
16 be, operated by the Post Office Department, \$818,000:
17 *Provided*, That excepting expenditures for labor for or in-
18 cidental to the moving of equipment from or into public
19 buildings, the foregoing appropriation shall not be used for
20 personal services except for work done under contract or for
21 temporary job labor under exigency and not exceeding at
22 one time the sum of \$100 at any one building: *Provided*
23 *further*, That all furniture now owned by the United States
24 in other public buildings or in buildings rented by the United

1 States shall be used, so far as practicable, whether or not it
2 corresponds with the present regulation plan of furniture.

3 Deficiency in postal revenues: If the revenues of the
4 Post Office Department shall be insufficient to meet the
5 appropriations made under title II of this Act, a sum equal
6 to such deficiency in the revenues of such Department is
7 hereby appropriated, to be paid out of any money in the
8 Treasury not otherwise appropriated, to supply such defi-
9 ciency in the revenues of the Post Office Department for the
10 fiscal year ending June 30, 1947, and the sum needed
11 may be advanced to the Post Office Department upon
12 requisition of the Postmaster General.

13 This title may be cited as the "Post Office Department
14 Appropriation Act, 1947".

15 TITLE III—GENERAL PROVISIONS

16 SEC. 301. No part of any appropriation contained in
17 this Act shall be used to pay the salary or wages of any
18 person who advocates, or who is a member of an organ-
19 ization that advocates, the overthrow of the Government of
20 the United States by force or violence: *Provided*, That for
21 the purposes hereof an affidavit shall be considered prima
22 facie evidence that the person making the affidavit does
23 not advocate, and is not a member of an organization that
24 advocates, the overthrow of the Government of the United
25 States by force or violence: *Provided further*, That any

1 person who advocates, or who is a member of an organ-
2 ization that advocates, the overthrow of the Government
3 of the United States by force or violence and accepts em-
4 ployment, the salary or wages for which are paid from
5 any appropriation contained in this Act, shall be guilty
6 of a felony and, upon conviction, shall be fined not more
7 than \$1,000 or imprisoned for not more than one year,
8 or both: *Provided further*, That the above penalty clause
9 shall be in addition to, and not in substitution for, any
10 other provisions of existing law.

11 SEC. 302. This Act may be cited as the "Treasury
12 and Post Office Departments Appropriation Act, 1947".

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Union Calendar No.

79TH CONGRESS
2^D SESSION

H. R.

[Report No.]

A BILL

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1947, and for other pur-
poses.

By Mr. LUDLOW

FEBRUARY , 1946

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1947

FEBRUARY 12, 1946.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. LUDLOW, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 5452]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947.

The bill embraces regular annual appropriations for these Departments, the estimates for which are to be found: For the Treasury Department, on pages 609 to 645, inclusive, of the Budget; and for the Post Office Department, on pages 565 to 584, inclusive, of the Budget; and in House Document No. 420.

Two statutes, Public Law 106 increasing the salaries of employees of the Government generally and Public Law 134 increasing the salaries of employees of the postal service, have been enacted since the passage of the 1946 Appropriation Act. These two laws, in addition to providing increases in the basic salaries, provided for payment for overtime for all time in excess of a 40-hour workweek. A further provision shortened the waiting period between steps of promotions within grades. All of these factors require appropriations over and above the amounts carried in the regular Treasury-Post Office Appropriation Act for 1946. Estimates for such purposes have been submitted by the Bureau of the Budget in House Document 437 in the amount of \$213,265,370 for the Post Office Department and \$42,303,400 for the Treasury Department. These two items include cost of overtime pay and acceleration of within-grade promotions as well as the increase in base pay. The Departments were operating on a 44-hour week from the 1st of July until September, at which time the workweek was reduced to 40 hours. The 1947 Budget estimates are predicated on a 40-hour workweek and on the new pay scales. In order to compare the 1947 Budget estimate and the amount carried

in the bill with 1946 appropriations it is necessary to include for 1946 the cost of the new enactments as well as pending deficiency items and further deficiencies later to be submitted. Such a comparison of total amounts for the two Departments follows:

	Treasury Department	Post Office Department	Total
Appropriations, 1946.....	\$304, 446, 060	\$1, 058, 570, 005	\$1, 363, 016, 065
Pending deficiency items, including cost of increased compensation.....	60, 101, 400	219, 809, 770	279, 911, 170
Department's estimates of further deficiencies.....	351, 500	25, 673, 225	26, 024, 725
Total, 1946.....	364, 898, 960	1, 304, 053, 000	1, 668, 951, 960
Estimates, 1947.....	335, 978, 000	1, 298, 239, 190	1, 634, 217, 190
Bill, 1947.....	325, 495, 500	1, 279, 061, 440	1, 604, 556, 940
Bill compared with 1946 appropriations, including defi- ciencies.....	-39, 403, 460	-24, 991, 560	-64, 395, 020
Bill compared with 1947 estimates.....	-10, 482, 500	-19, 177, 750	-29, 660, 250

THE PENALTY MAIL ACT

Under Public Law 364 (78th Congress) each agency of the Government is required to deposit into the Treasury an amount equal to the cost of handling the mail of such agency.

The committee has found it extremely difficult to judge accurately the amounts which should be appropriated for this purpose. The act covers all types of mail whether it be the distribution of documents and other informational material or regular business correspondence. This latter item is the largest part of the mail of many agencies—such as the Bureau of Internal Revenue—and it is almost impossible to forecast the volume of such mail. The committee is in full accord with the objectives of the Penalty Mail Act, i. e., the reduction in volume of mail dispatched by Government agencies and the attendant cost, and has studiously endeavored to ascertain whether the act can be said to have achieved such results. Officials of the Post Office Department have indicated that it is their belief that the act has resulted in a reduction of 287,000,000 in the number of pieces of mail handled for the fiscal year 1945 as compared with the volume for 1944 with a resultant reduction of \$4,300,000 in the cost of handling.

The reduction of 287,000,000 in the number of pieces and of \$4,300,000 in the estimated cost of handling penalty mail as reported by the Post Office Department and the assumption that such reduction is attributable to the Penalty Mail Act are not necessarily substantiated for the following reasons:

1. The estimated reduction in cost is based on total mailings, which include the mailings of the War Department, Navy Department, and Post Office Department, none of which is under the provisions of the penalty-mail law. The mailings of these exempt agencies approximate 40 percent of the total.

2. Furthermore, the figures for 1945 for those agencies covered by the penalty-mail law (Public Law 364) are on a basis different from that for 1944 in that the 1945 figures are those furnished to the Post Office Department by the agencies based upon inventories and procurements during the year; whereas, the 1944 figure is that obtained

through the cost-ascertainment procedure of the Post Office Department. Had the cost-ascertainment figures for both years been used, the reduction in the estimated cost would have been only \$2,277,494.25 for 151,832,950 pieces.

The above facts were not pointed out to the committee at the first hearing of Post Office officials on this subject, and the inference then was that the estimated reduction in cost of \$4,300,000 was due primarily if not entirely to the existence of Public Law 364.

Other agencies of the Government which have been contacted by the committee have stated that there is no relation between the reduction in the volume of their mail and the provisions of Public Law 364. Wherever reductions have occurred they are explained by circumstances entirely aside from the Penalty Mail Act.

It is of interest to note, in the table submitted by the Post Office Department comparing the mailings for the first quarter of the fiscal year 1946 with the first quarter of the fiscal year 1945 (p. 629), that there has been an increase in the total mailings of all Government agencies of 7,729,789 pieces, but the increase in those agencies covered by the penalty-mail law is much greater, i. e., 13,787,225 pieces. In other words, there has been a decrease in mailings by those agencies exempt from the penalty-mail law and an increase in mailings by those agencies covered by Public Law 364.

The so-called reduction in cost is only a theoretical saving. While the officials of the Post Office Department contend that there has been a reduction, they are unable to translate such reduction into an outright savings which can be reflected in a reduction of the amounts appropriated for the postal service. It was testified (hearings, p. 613) that it is not possible to put a finger on savings in the over-all cost to the postal service due to the fact that the number of pieces of mail involved is so small in relation to the total volume of mail handled.

There is also to be considered the amount which it costs each agency of the Government to maintain the records, make reports, and do all the other necessary work connected with administering the act, said to total nearly \$500,000 in the case of the Department of Agriculture alone. No additional personnel has been provided for the purpose but it has been necessary to divert personnel from other needed activity to these tasks.

The two classes of material which should be controlled are printed documents and mimeographed or duplicated matter.

Printing, other than for the armed services, is now very closely restricted through appropriation limitations, but there is no direct control at the source over mimeographing, multilithing, and other types of duplicating which probably are the greatest producers of penalty-mail material. It might be that better results would ensue from rigid regulation of output of all matter intended for the mails, however produced, than the control procedures now in operation.

The costs of mimeographing, etc., are now paid out of appropriations for salaries and expenses, and involve expenditures for personal services, supplies, and equipment both in Washington and in field establishments. On account of the diversity of types of expenditures involved, appropriation limitations are not as readily applied to such items as to printing and binding, but the committee believes that budgetary restrictions can be imposed which will effectively control the quantity of such matter and automatically keep from the mails unnecessary material. and has requested the Bureau of the Budget

to make a thorough study of the situation and to make recommendations as to steps which might be taken to achieve the real intent of the penalty-mail law.

The committee will report further to the House on the subject at a later date.

TITLE I—TREASURY DEPARTMENT

The accompanying bill carries a total of \$325,495,500 of direct appropriations, together with indefinite appropriations, the estimated obligations under which are in the sum of \$1,586,900,000.

These sums aggregate \$1,912,395,500. The Budget has requested a total in direct appropriations of \$335,978,000; indefinite appropriations, the total obligations for which are estimated at \$1,586,900,000 or an aggregate of \$1,922,878,000. The amount recommended is \$10,482,500 below the Budget estimate and this reduction occurs entirely in the items recommended for direct appropriations. The appropriations for the fiscal year 1946 include \$304,446,000 of direct appropriations; indefinite appropriations, the estimated total obligations under which aggregate \$2,600,900,000, or a grand total for 1946 of \$2,903,346,000. The aggregate total recommended in the bill of \$1,912,395,500 is therefore \$990,950,000 less than the appropriations for 1946.

Permanent appropriations: In addition to the activities appropriated for in the regular bill there exist permanent appropriations administered by this Department, the estimated obligations for which in 1947 aggregate \$5,594,732,697; a sum which is \$149,669,903 in excess of the permanent appropriations for 1946. These appropriations cover such items as interest on the public debt, the sinking fund, etc.

Trust funds: In addition to the foregoing, there exist trust funds administered by this Department. These are funds which do not belong to the Government and are not composed of appropriations out of the Federal Treasury, but consist of such items as the Federal old-age and survivors insurance trust fund, the unemployment trust fund, etc. The total disbursements of these trust funds during the fiscal year 1946 are estimated in the sum of \$2,568,051,816 as compared with estimated similar disbursements for the fiscal year 1947 of \$2,840,254,870. The 1946 amount for the Federal old-age and survivors insurance trust fund is \$1,245,006,473, as compared with the 1947 amount for the same item of \$1,590,816,569. For the unemployment trust fund the 1946 disbursements are estimated at \$1,316,489,773, as compared with \$1,248,143,301 in 1947.

All the foregoing items are set forth in tabular form at the end of this report.

DEPARTMENTAL OFFICES

The offices of the secretary, Division of Tax Research, Tax Legislative Counsel, and other technical and administrative offices of the Treasury Department have been heavily burdened with work incident to the unprecedented financing problems of the war. Now that heavy expenditures for and incident to the war have substantially diminished and will continue to decline, the burdens of these offices should be lessened and the committee has made reductions in the amounts estimated on that account.

FOREIGN FUNDS CONTROL

Appropriation, 1946-----	\$2, 000, 000
Estimate, 1947-----	1, 300, 000
Recommended in bill, 1947-----	1, 000, 000

The work of this wartime office is rapidly drawing to a close and the Director has announced that it definitely will be out of business by June 30, 1947. The Department has released controls as rapidly as possible, and if the present rate of reduction in activity continues, the amount proposed, \$1,000,000, should be adequate for all purposes.

DIVISION OF DISEURSEMENT

Appropriation, 1946-----	\$5, 884, 000
Estimate, 1947-----	7, 410, 000
Recommended in bill, 1947-----	7, 284, 000

The increase in the Division of Disbursement is predicated upon an increased number of payments to veterans, social-security beneficiaries, etc., and is offset by marked decreases in the number of items to be handled for wartime activities which now either are entirely stopped or are rapidly diminishing. The estimate also includes \$1,000,000 for the payment of refunds of income taxes. The Department advises that the work of refunding taxes is progressing at a rate which makes it appear that most of such payments will be made during fiscal year 1946 instead of 1947, and the bill therefore carries a provision making the \$1,000,000 available immediately.

BUREAU OF THE PUBLIC DEBT

Appropriation, 1946-----	\$85, 050, 000
Estimate, 1947-----	70, 475, 000
Recommended in bill, 1947-----	65, 475, 000

The estimate includes \$2,900,000 for the War Finance Division. It is this Division which has had the task of selling bonds during the war. This undertaking has required the maximum in industry and ingenuity of those charged with responsibility for its administration. It was through the efforts of those so engaged that the pay-roll savings plan, which has proven to be quite popular throughout the country, was inaugurated and the purpose of the estimate for 1947 largely is to carry forward this activity. After thoroughly considering the matter and discussing it at length with departmental officials, the committee is of the opinion that \$2,000,000 will provide all service necessary. Hence the reduction of \$900,000 in the estimate for this Division. The remaining amount of the reduction, \$4,100,000, should be absorbed in the various other activities of the Bureau of Public Debt. There are certain backlogs of work connected with the large number of bonds issued during the past 2 years which must be eliminated, but these arrearages gradually will reduce and work should be well current before the end of 1947. The volume of new work will greatly lessen and with the disposal of the backlogs the cost of administration of the Bureau of Public Debt should be materially less in future years.

Attention is called to the fact that the Budget indicates that \$39,565,000 will be transferred to the Federal Reserve banks during the 1947 fiscal year as reimbursement for serving as agents for the Treasury in handling Public Debt Bureau transactions. This amount is \$5,000,000 less than the estimated amount for 1946, but

\$5,000,000 more than the actual cost in 1945. An item of this size should have careful scrutiny of the Secretary of the Treasury and the Bureau of the Budget to be sure that the work required of the Federal Reserve banks and the charges therefor are minimized.

There is a tendency in presenting budgets to Congress to treat rather lightly amounts to be transferred to other agencies for services to be performed. There is not always apparent a sense of responsibility for the estimate presented or the validity of the cost factors involved in its formulation. The Department to which an appropriation is made for a reimbursement of the type in question, if it possesses any discretionary power in the matter, has the same degree of responsibility for the need and employment of the appropriation as if it were for direct expenditure.

OFFICE OF THE TREASURER OF THE UNITED STATES

Appropriation, 1946.....	\$4, 955, 000
Estimate, 1947.....	5, 305, 900
Recommended in bill, 1947.....	5, 075, 000

The work of the Treasurer's office is directly and immediately affected by the volume of the expenditures of all agencies of the Government. While the estimate represents an actual reduction of \$360,000 below comparable amounts for 1946, when nonrecurring items and pay increases are taken into account, there is such a great difference between estimated expenditures in 1946 and 1947 that, in the judgment of the committee, a further reduction is warranted. The estimates are based on reports from all agencies, a number of which—particularly the Army and Navy—have not completed their 1947 budgets, as to the number of checks which they probably will clear in 1947, and the tabulation of these items indicates that the Navy, although showing a reduction of 23,000,000 below the 1946 figure, still will clear 3,300,000 more checks in 1947 than it cleared in the fiscal year 1944, at the height of the war. The Army, while reducing the number of checks by some 60,000,000 in 1946 is still expected to clear 25,000,000 in excess of the number for the fiscal year 1943, a heavy war year.

BUREAU OF CUSTOMS

Appropriation, 1946.....	\$24, 198, 000
Estimate, 1947.....	30, 037, 000
Recommended in bill, 1947.....	29, 430, 000

The volume of world trade governs to a large degree the cost of administration of the customs service, and it is not now possible to foretell the volume of business which will be passing through the ports a year and more hence.

The estimates contemplate a rather high level of import activity during 1947 which may or may not be realized. So many factors, now unknown, such as volume of manufacture, extension of credits, etc., will have a bearing on money needs that the committee has reduced the estimate \$1,000,000. The actual net reduction, however, is \$600,000, because of the need to add \$400,000 on account of an error in the original estimate, which has been satisfactorily explained by departmental officials.

COMPTROLLER OF THE CURRENCY

Appropriation, 1946-----	\$245, 000
Estimate, 1947-----	281, 000
Recommended in bill, 1947-----	

For a number of years the annual appropriation act has carried an amount for salaries and printing and binding in the departmental office of the Comptroller of the Currency. This amount has been only a token appropriation inasmuch as the bulk of expenditures of this office, running in excess of \$4,000,000, are made from a fund derived from assessments on the national banks, which are supervised by the Comptroller. The committee is advised that the condition of the assessment fund is such that the percentage assessment has been reduced in the last 2 years and that there is still a sufficient amount to absorb the departmental cost heretofore provided for out of the Treasury. The two items, therefore, have been eliminated from the bill at a savings to the Treasury of \$281,000. The departmental officials have indicated to the committee that the Department has no objection to this plan and that it is in accord with law. This action will not affect the committee's practice of discussing with the Comptroller's office, in connection with the annual appropriation bill, the condition of the assessment fund and the cost of operation of the office.

The committee has inquired as to the status of those employees whose source of compensation would be changed by the action it is proposing insofar as retirement and other benefits are concerned and has been informed that no disadvantage to any employee would result.

BUREAU OF INTERNAL REVENUE

Appropriation, 1946-----	\$136, 309, 600
Estimate, 1947-----	186, 707, 000
Recommended in bill, 1947-----	184, 707, 000

The work of this Bureau has greatly increased during the past few years, both in the amount of tax collected and the number of taxpayers to be contacted. The Tax Act of 1945 greatly reduced the number of persons paying taxes but did not materially reduce the number required to make income-tax returns. Therefore, the work of the Bureau has not been reduced commensurately with the reduction in revenues.

Last June the Secretary of the Treasury appeared before the committee and sought authority, which was granted, to recruit a force of employees to seek tax evaders and recover as large a portion as possible of the amounts of their evasions. This program is just now getting well under way and the estimate for 1947 includes provision only for the staff as it will be built up before the end of 1946.

In making the slight reduction of \$2,000,000, it is not the committee's purpose to curtail the activity of the Bureau in bringing tax evaders to terms or in collecting the largest possible amount of revenue. Its reduction is directed to such items as travel and communications, for which substantial increases are proposed in 1947. It is felt that careful supervision of such class of expenses should result in savings in amounts sufficient to meet the reduction proposed without impairing necessary work of the Bureau.

BUREAU OF ENGRAVING

Appropriation, 1946-----	\$10, 405, 500
Estimate, 1947-----	12, 171, 500
Recommended in bill, 1947-----	11, 755, 500

The estimate includes \$805,000 for the purchase of equipment, of which \$655,000 is intended for new equipment and \$150,000—more than twice the amount expended in 1945—for normal replacements. The Government should restrict its purchases of heavy machinery to minimum needs until such time as the domestic economy has leveled off and should defer purchasing any items which are not urgently required. The reduction proposed applies to such equipment items.

SECRET SERVICE

SUPPRESSING COUNTERFEITING AND OTHER CRIMES

Appropriation, 1946-----	\$1, 400, 000
Estimate, 1947-----	1, 911, 000
Recommended in bill, 1947-----	1, 800, 000

The committee has approved purchase of 60 new automobiles instead of 120 as provided in the estimate, the resultant reduction being \$42,000. The supply of new automobiles will be extremely short during the next year and Government agencies should purchase only those vehicles needed to replace those in such condition as no longer can be operated economically. A further reduction of \$69,000 is recommended, applying to the proposal to employ 60 additional agents with clerical staffs, at an estimated cost of \$284,000, including \$39,000 for travel expense and supplies and materials. The reduced amount will provide for such operational expansion as seems warranted at this time.

Heretofore the appropriation has carried a fund of \$15,000 to be expended "in the discretion of the Secretary of the Treasury" for the purpose of securing information regarding violations of the law. This fund is used for expenses of a confidential nature incident to law enforcement. By a recent interpretation of the law it is necessary to secure the approval of the Secretary of the Treasury in each individual case before an obligation is incurred. It is not practicable to secure such prior approval and the Budget proposes to delete the words "in the discretion of the Secretary of the Treasury."

The committee is agreeable to eliminating the requirement for prior approval and is willing to go so far as to eliminate the necessity of an approval by the Secretary of the Treasury, but it does consider that the nature of these expenditures requires that they should have the attention of the Chief of the Secret Service and has, in lieu of the language proposed to be stricken, inserted a provision requiring the approval before payment by the Chief of the Secret Service of any voucher claiming reimbursement for expenses incurred under the authority of this special fund.

BUREAU OF THE MINT

SALARIES AND EXPENSES, MINTS AND ASSAY OFFICES

Appropriation, 1946-----	\$5, 400, 000
Estimate, 1947-----	6, 775, 000
Recommended in bill, 1947-----	6, 000, 000

The estimate contemplates increased coinage at a cost of \$587,950, an increase for equipment in the amount of \$374,100, and an increase in refinery activity in the amount of \$200,000. Demands for coin have been at peak levels during the war years and the committee is not convinced that any increase above present output will be required in 1947. On the contrary it would appear likely that there will be some reduction in coin required.

The equipment purchases should be restricted to urgent requirements in order to avoid burdening manufacturing facilities already taxed to supply private demands. The reduction of \$775,000 should be absorbed in the equipment-purchase program and probable reduction in coin requirements without impairing necessary work of the Bureau.

USE OF SILVER OWNED BY THE TREASURY

The committee has included a provision which would permit the Treasury to dispose of such silver as it may own in excess of monetary requirements at the price of 71.11 cents per ounce.

The Treasury now holds in excess of 240,000,000 ounces of such silver.

The annual industrial needs are now in excess of 100,000,000 ounces and present domestic production is in the neighborhood of 30,000,000 ounces. Importations of foreign silver, despite an increase in the ceiling price setting the price of foreign silver at the same rate as domestic silver, are not sufficient to make up the deficiency. The silver which would be sold is not presently required by the Treasury for monetary purposes and would be sold at the price which the Treasury is required by law to pay for newly mined silver.

TITLE II.—POST OFFICE DEPARTMENT

The bill carries a grand total of \$1,279,066,540 for the Department and the field, a reduction of \$19,172,650 below the Budget estimates and an increase of \$241,545,975 over appropriations for 1946. However, the increase over 1946 is partially offset by the cost of increased compensation remaining to be appropriated which will bring the actual increase down to \$57,875,122 on a comparable basis. There are further deficiencies which later will be presented to the Congress which will in all probability bring the 1946 costs approximately to the levels of 1947 appropriations carried in the bill.

POSTAL REVENUES AND EXPENDITURES

The budget for the postal service presents a problem to the Committee on Appropriations and to the Congress generally which is unlike that involved in the consideration of other Budget items. The factors responsible for the largest elements of cost are predetermined by or in pursuance of statute. The Postmaster General has authority—as he must have in order to be able to move the mail whenever and wherever it is delivered to post offices—to appoint certain types

of employees in such numbers, regardless of amounts of appropriations, as are required to render the service which the Department is bound under law to render. The rates charged by the railroads are fixed and cannot be curtailed by the simple process of cutting appropriations. The rates of compensation to be paid employees are fixed by law. The rates for air-mail transportation are under the jurisdiction of the Civil Aeronautics Board and even the postal officials have little voice in the costs of that service.

So, in arriving at amounts to be appropriated for the postal service, it is not a question of how much the taxpayers of the Nation can afford to spend or, as a matter of policy, ought to spend on a particular activity as is the case with other agencies of the Government. It is purely a matter of estimating as accurately as possible what the mail load will be and how much—within the limits of the controlling statutes—it will cost to move it. Whenever the amount appropriated is found to be insufficient there is no alternative but to supply the additional amount required through a deficiency appropriation.

At the time of the hearings on the Post Office Department estimates in early December it was estimated that the total revenues of the Post Office Department would be \$1,300,000,000 in 1946 and that the revenues for 1947 would be approximately the same amount. Revenues for July and August showed increases over the comparable months of the previous year, and September and October showed marked decreases with November showing a lesser decrease. Postal officials predicted that December would reflect a rise in postal revenues above the previous year in sufficient amount to offset the decreases in the three former months. However, statistics for the month of December are now available and show a decrease of 7.10 percent below December 1944. The Department has now, on the basis of the full 6 months' experience, revised its estimates of revenues for the year down to \$1,248,000,000, or a reduction of \$52,000,000 below former estimates. The percentage variation of revenues by months follows:

	<i>Percent</i>		<i>Percent</i>
July.....	+3.41	October.....	-9.11
August.....	+1.43	November.....	-3.10
September.....	-6.50	December.....	-7.10

The committee has therefore reduced the postal budget \$19,172,650, based on this revised estimate of the trend in postal business. It is, of course, impossible to foretell what the actual volume in 1947 will be, but all information now available is indicative of a lesser volume of mail than was used as a basis for the estimates submitted in the Budget.

The committee has also compared expenditures in fiscal year 1946 with expenditures in fiscal year 1945 and there follows a table showing the percentage of increase by months for the first 6 months of the year:

	<i>Percent</i>		<i>Percent</i>
July.....	14.69	October.....	9.51
August.....	15.92	November.....	12.11
September.....	13.33	December.....	17.79

On account of the increase in base salaries the expenditures in 1946 would be higher for the same volume of business, but from these statistics it would appear that there is not the relationship there should be between the trend of the revenues and the trend of the expenditures. For example, an increase in business of 3.41 percent in July produced an increase in expenditures of 14.69 percent, while in September a decrease of 6.5 percent in revenues compares with an increase in expenditures for that month of 13.33 percent, and in December a decrease in revenues of 7.10 percent compares with an increase in expenditures of 17.79 percent. Officials of the Post Office Department should give this matter their urgent attention with view to determining whether or not unnecessary expenditures may be eliminated in order to bring expenditures more nearly in line with revenues.

SALARIES, BUREAUS AND OFFICES

The general decline in postal business lessens the work loads of the various departmental offices. The amounts which are recommended are in all instances somewhat less than the Budget estimates and are in harmony with demands now foreseeable.

A budget officer at \$5,100 was requested for the office of the Chief Clerk. The committee sees no need for this employee and therefore has eliminated the salary.

In the office of Second Assistant Postmaster General provision has been made for three additional employees on account of the international postal service and 13 additional on account of air mail. These two services will expand despite the decrease in postal business, generally.

In the Bureau of Accounts a reduction of \$50,000 has been made. The item as recommended includes provision for 62 temporary employees at a cost of \$85,200 to complete the retirement records of employees in the postal service. A similar request was denied in the 1946 appropriation because it was not felt that the necessary employees could be procured. However, manpower shortages should not now be a hindrance to the accomplishment of this important work. It is the hope of the committee that by the end of fiscal year 1947 all retirement records of the postal service will be current and that it will be possible to maintain them on a current basis thereafter. It is of the utmost importance that there be no delay in furnishing the necessary service-record data when an employee becomes eligible or applies for retirement.

In connection with the First Supplemental Appropriation Act, 1945, the Congress approved 17 additional employees in the Bureau of Accounts to handle work required by the Penalty Mail Act. It was testified before the committee on January 16, 1946 (p. 610 of the hearings), that the time of 3½ employees at a cost of \$6,800 per annum is utilized for this purpose. Inasmuch as the Department has been receiving an appropriation for 17 employees for work which it now states 3½ employees can handle, it should be possible for this

Bureau to absorb a large part of the afore-mentioned reduction of \$50,000 with no resulting disadvantage.

INSPECTION SERVICE

SALARIES OF INSPECTORS

Appropriation, 1946-----	\$3, 073, 375
Estimate, 1947-----	4, 000, 000
Recommended in bill, 1947-----	3, 838, 000

The appropriations for the Inspection Service are largely governed by the number of inspectors. For 1946, provision was made for 795 inspectors. The Budget estimate for 1947 contemplates 835 inspectors, and the bill includes provision for 800 inspectors. The amount recommended to be appropriated for salaries includes no funds for salaries of five new inspectors, which would cost approximately \$20,000 the first year, as it appears that this amount can be absorbed through turn-over, etc. The appropriations for travel and miscellaneous expenses have been adjusted to comport with the action taken on the number of inspectors. No additional increases in the field offices of the Inspection Service have been approved as the addition of only five inspectors should not require additional clerical service.

COMPENSATION OF POSTMASTERS

Appropriation, 1946-----	\$59, 773, 000
Estimate, 1947-----	75, 000, 000
Recommended in bill, 1947-----	74, 000, 000

The amount recommended, \$74,000,000, is \$1,000,000 less than the Budget estimate and \$2,180,533 over the amount appropriated for 1946, plus the cost of new pay legislation. The estimate includes funds to defray the cost of increases in salaries of postmasters expected to arise from increases in postal business at individual offices both within classes and from class to class. The trend of postal business as previously outlined herein definitely is less than was contemplated at the time the estimates were prepared and it appears inevitable that in the aggregate the salaries of postmasters will be somewhat less than the original estimates contemplated. The salaries are statutory and the amount of the appropriation does not in any way affect the salary of any postmaster.

ASSISTANT POSTMASTERS

The amount recommended, \$11,440,000, is a reduction of \$571,000 below the estimate of \$12,011,000. The reduction represents the cost of 200 additional positions requested by the Department. The Department has sought over a period of years to increase the number of assistant postmasters provided for in order to authorize the appointment of assistant postmasters at many of the smaller second-class offices, and the committee consistently has taken the position that assistant postmasters should be authorized only when there is a demonstrable need. The law is so phrased as to permit the appointment

of assistant postmasters at all first- and second-class post offices, but the law is not mandatory and there are many of the smaller offices where no real need for assistant postmasters exists.

CLERKS, FIRST- AND SECOND-CLASS POST OFFICES

Appropriation, 1946-----	\$302, 000, 000
Estimate, 1947-----	394, 870, 000
Recommended in bill, 1947-----	391, 870, 000

Here again the reduction is based entirely on the trend of postal business. The estimate included \$843,924 for 491 new clerical positions in 1947, which undoubtedly will not be required unless there is some change in the present trend of postal business. The estimate also provides for \$12,227,000 for substitute service in excess of the amount for 1946, or a total of \$131,262,000 for substitute service in 1947. The amount of the reduction should be absorbed within these two items without disadvantage to the service or to the employees.

The Postmaster General has authority to employ such number of clerks as are required to handle the mail regardless of the amount of the appropriation.

SEPARATING MAIL AND UNUSUAL CONDITIONS

The appropriations for separating mail and for unusual conditions in post offices are materially less than the amounts for 1946. Prior to 1946, allowances were made from these two appropriations to meet abnormal conditions in third- and fourth-class post offices. However, Public Law 134, the Postal Pay Act of 1945, makes provision for conditions to be taken into account in allocating clerical staff in third-class post offices, thereby obviating the necessity of appropriations for separating mail and unusual conditions in other than fourth-class post offices.

CLERKS, THIRD-CLASS POST OFFICES

Appropriation, 1946-----	\$11, 492, 000
Estimate, 1947-----	18, 152, 000
Recommended in bill, 1947-----	17, 512, 000

Under Public Law 134—the Postal Pay Act of 1945, the Post Office Department is directed to authorize appointments of such clerks as may be required in grades and salaries, fixed by the act, in third-class post offices. To make this act effective it is necessary to make a survey of each office and determine the amount of clerical service required. This survey will not be completed until late in the fiscal year 1946 and it is not possible to judge accurately what the total cost will be until the reports from surveys in all offices are available. In the meantime, the estimate includes 5,135 new positions to be established in 1947. It may not be necessary to fill that number of new positions in 1947, and pending the completion of surveys there is not a firm basis for estimating the number which will be required. The committee has imposed a reduction of \$600,000 on this account. If it is determined

that the service requires a larger number of employees than it is possible to pay from the amount of the appropriation proposed, it will be necessary to make a deficiency appropriation.

CITY DELIVERY SERVICE

Appropriation, 1946-----	\$172, 000, 000
Estimate, 1947-----	218, 300, 000
Recommended in bill, 1947-----	217, 000, 000

The same situation obtains with respect to city-delivery clerks at first- and second-class post offices. The estimate contemplates 450 new positions at a cost of \$482,900 and an increase of \$3,394,000 in the amount for employment of substitutes or a total of \$47,963,000 for substitutes. Unless the postal volume greatly exceeds the amount which is indicated by present trends, the reduction of \$1,300,000 can easily be absorbed in these two items.

During the war, delivery service was rather largely curtailed in some areas because of the lack of available manpower. The Department intends to restore service to a normal basis as rapidly as the manpower situation will permit. It is not intended that the reduction imposed by the committee should retard this program of service restoration.

RURAL DELIVERY SERVICE

Appropriation, 1946-----	\$93, 598, 000
Estimate, 1947-----	115, 000, 000
Recommended in bill, 1947-----	114, 500, 000

The estimate includes an increase of \$185,000 in the cost of substitutes and \$90,000 in the allowances for heavy-duty and other items which would be necessary if mail volume continued at a high level. The reduction does not contemplate a reduction in the service to be performed and is based entirely on the elimination of extra charges which would be required by a larger volume of mail.

STAR ROUTE SERVICE

Appropriation, 1946-----	\$19, 150, 000
Estimate, 1947-----	21, 000, 000
Recommended in bill, 1947-----	20, 700, 000

Several factors, and lack of competition was one of the most important, have contributed to increased contract prices in the star-route service during the war period. As we return to a normal peacetime economy and labor supply, competition for these contracts will be more pronounced and should result in some saving to the Government. The estimate included \$539,000 because of contemplated cost increases over current rates. This increase is based on experience with letting of contracts during war years, and with more spirited competition which reasonably may be expected in the ensuing year, the reduced amount should prove adequate.

POWER BOAT SERVICE

Appropriation, 1946.....	\$500, 000
Estimate, 1947.....	1, 737, 000
Recommended in bill, 1947.....	1, 600, 000

The large Budget increase over 1946 is accounted for by the resumption of contract service between the west coast and various points in Alaska and Hawaii, which service was performed by the War Shipping Administration during the actual war period. None of these services will be resumed until March 1, 1946, and until they are in actual operation it is not possible to judge accurately their annual cost. The amount approved by the committee, although \$137,000 less than recommended in the Budget, is a substantial increase over the amount required in any prewar year.

RAILROAD TRANSPORTATION

Appropriation, 1946.....	\$145, 000, 000
Estimate, 1947.....	138, 000, 000
Recommended in bill, 1947.....	137, 000, 000

Expenditures for railroad transportation and mail-messenger service, of which the railroad transportation item is more than 90 percent, should bear some relation to the general condition of the postal business. As the volume of mail goes up, naturally the railroad space required must go up, and as the volume of mail declines railroad space utilized and paid for should also decline. It will be noted in the table below that during the first 6 months of the fiscal year 1946 the total postal revenues exceeded the revenues for comparable months in the fiscal year 1945 in July and August but were below revenues for comparable months in September, October, November, and December. However, the obligations for transportation of the mails were in excess of the cost in the previous year, not only in July and August but also in September and November.

Comparison of obligations for the first 6 months of the fiscal year 1946 with the same period during the fiscal year 1945

	Fiscal year--		Postal revenues of 1946 compared with 1945
	1946	1945	
			<i>Percent</i>
July.....	\$11, 777, 831	\$10, 940, 841	+3. 41
August.....	11, 536, 143	10, 986, 290	+1. 43
September.....	11, 482, 003	11, 322, 459	-6. 50
October.....	12, 958, 330	13, 989, 255	-9. 11
November.....	12, 094, 339	11, 984, 291	-3. 10
December.....	15, 069, 289	15, 609, 490	-7. 10
Total.....	74, 917, 935	74, 832, 626	-3. 89

Careful attention should be given to the utilization of space in railroad cars in order to minimize expenditures for this service. The total expenditures for this item should not exceed the amount recommended, \$137,000,000, if the present trend of postal business extends through 1947.

RAILWAY MAIL SERVICE—SALARIES

Appropriation, 1946-----	\$74, 000, 000
Estimate, 1947-----	86, 000, 000
Recommended in bill, 1947-----	85, 500, 000

The estimate for the railway mail service includes salaries and other expenses for 2,000 additional positions in 1947. The salary item alone for these positions amounts to \$2,900,000. In line with its general reduction of post-office estimates on account of the probable lesser mail volume than was in prospect at the time the estimates were prepared, the committee has reduced the salary item \$500,000 and other railway mail service items proportionately.

FOREIGN MAIL TRANSPORTATION

Appropriation, 1946-----	\$400, 000
Estimate, 1947-----	5, 000, 000
Recommended in bill, 1947-----	4, 000, 000

This appropriation pays only for transportation of foreign mail by surface lines. Commerce with foreign countries is far from normal and it is not possible to foretell when normal conditions may be established nor at what levels. Foreign mail on the other hand is definitely known to be at peak levels with many countries with which all communication was cut off during war years. The handling of such mail has not yet reached a peacetime basis and cannot reach such a basis until shipping stringencies are relieved. Air mail was encroaching rapidly on surface-borne mail prior to the war and undoubtedly will make greater inroads with the postwar development of transoceanic air transportation. The volume of mail to be borne in surface ships presents as difficult an estimating problem as any phase of the postal service and there is no basis for saying that the cost will be \$4,000,000 or \$5,000,000 or any other definite amount. The committee is proposing the grant of \$4,000,000.

FOREIGN AIR MAIL TRANSPORTATION

Appropriation, 1946-----	\$4, 836, 000
Estimate, 1947-----	5, 000, 000
Recommended in bill, 1947-----	5, 000, 000

Foreign air mail undoubtedly will increase markedly during the next few years. New routes are being established and the number of flights over existing routes is being increased. The cost to the Government of carrying the mail on these routes will depend upon the rates to be fixed by the Civil Aeronautics Board. The fixing of such rates is a very difficult task and usually has lagged for a considerable period behind the issuance of certificates of convenience and necessity which inaugurate the service. Probably it is necessary to delay the determination of such rates for some period after service

actually is begun in order to secure cost data for actual experience. It has appeared to the committee in the past, however, that some of the delays were longer than would seem required to furnish the necessary data upon the basis of which intelligent action might be taken, and, therefore, the committee desires to urge that the Civil Aeronautics Board make every effort to establish rates at the earliest practicable date.

The amount of the estimate, \$5,000,000, is less than one-third of the amount which was required for this service in 1941. For the past 4 years there has been practically no paid service outside the Western Hemisphere and there is no experience on which to base a firm estimate of cost in 1947. Obviously, \$5,000,000 is only a token amount.

MANUFACTURE OF STAMPS

Appropriation, 1946.....	\$6, 500, 000
Estimate, 1947.....	7, 402, 000
Recommended in bill, 1947.....	6, 500, 000

Inasmuch as the manufacture and distribution of stamps and stamped paper and other postage items must be well in advance of the mail volume, the changed trend in postal volume, which has been heretofore explained, should have a more immediate effect on this item than any other item in the bill. For this reason the committee believes the reduction of \$902,000 below the estimate will not seriously affect the procurement of necessary items.

POST OFFICE EQUIPMENT

Appropriation, 1946.....	\$4, 903, 600
Estimate, 1947.....	6, 384, 000
Recommended in bill, 1947.....	6, 000, 000

The equipment in post offices has greatly deteriorated during the war and the need for replacement probably is acute in many instances. The Department also desires to place Government-owned equipment in many third-class post offices where the present equipment is furnished by the postmaster or owner of the building. Demands upon the manufacturers of the types of equipment required probably will be such that the postal service will not be able to secure all necessary equipment during the coming year and the Department should give attention to equipping properly those offices where the Government now owns the equipment before embarking on a program of furnishing Government-owned equipment to additional offices.

Of the amount approved, \$1,000,000 is earmarked for the purchase of omnidenominational postage meters, stamp-vending machines, coin-operated postage meters, and other modern mechanical postal devices. The purchase of these machines will enable the Department to render service at hours when the post offices are closed by installation of vending machines in post-office lobbies and to handle more readily the long lines that form in post offices during Christmas and other abnormally heavy business periods. Five hundred thousand dollars was provided in 1946 for this purpose and the committee is somewhat disappointed to learn that to date it has not been possible to enter into contracts for the expenditure of such fund. The committee realizes the difficulty of procurement of metal equipment of

any type under present stringencies, but it is hopeful that the Department will exert every effort to secure delivery of the machines provided for in appropriations both for 1946 and 1947 at the earliest practicable date.

VEHICLE SERVICE

Appropriation, 1946.....	\$21, 848, 400
Estimate, 1947.....	36, 950, 000
Recommended in bill, 1947.....	33, 650, 000

The estimate includes \$6,257,000 for the purchase of 5,780 motor trucks. There is no question of the need for these trucks as all trucks now in use were purchased prior to 1942 and 6,685 of the 9,276 now in use were purchased prior to 1933. However, it is extremely doubtful whether the number of trucks required can be secured. For the fiscal year 1946, \$560,000 was provided for new trucks, and it has not been possible as yet to enter into a contract for the purchase of a single truck from that appropriation although the money has been available since July 1, 1945. The committee has reduced the amount for 1947 truck purchases to \$3,500,000 in the belief that not more than that can be expended during the year. Of the 5,780 included in the estimate, 2,030 were intended to replace contract vehicles where the present cost is considered excessive, and the remainder were for replacements in the Government-owned fleet. It is true, of course, that no vehicles should be rented where a Government-owned vehicle is available at lesser cost, and the committee leaves it to the judgment of the Post Office Department to distribute such new trucks as are purchased between replacements in the Government-owned fleet and the rented fleet, on such basis as will be most advantageous, from a cost standpoint, to the Government.

There are now 149 trucks which are more than 25 years old in use in the postal service and in distributing the new equipment consideration should be given to eliminating those vehicles on which repair costs are excessive. Vehicles of that age are undoubtedly very expensive to maintain. The officials in charge of this service, when interrogated about their policy with regard to replacement of vehicles, did not indicate that they have any very definite plan. Splendid service is now being rendered, and the present personnel appear to be thoroughly qualified, and there is no thought of replacing any of the present staff but the committee suggests that the departmental officials scrutinize the situation with a view to determining whether or not it would be economical to add an automotive engineer to the present staff.

The committee has reduced the amount for purposes other than procurement of new equipment by \$538,000. This reduction is based entirely on the current trend of postal business. The total estimate for purposes other than equipment procurement is \$30,070,000 and the amount of the reduction should easily be absorbed if the trend of postal business continues.

TRANSPORTATION OF EQUIPMENT AND SUPPLIES

Appropriation, 1946.....	\$320, 000
Estimate, 1947.....	745, 500
Recommended in bill, 1947.....	520, 000

This item includes the cost of freight on the new trucks provided for in the estimate. The amount of reduction, \$225,000, is entirely accounted for by the reduction in the number of trucks to be purchased in 1947.

PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

Appropriation, 1946-----	\$27, 164, 000
Estimate, 1947-----	37, 620, 000
Recommended in bill, 1947-----	37, 000, 000

The current fiscal year, 1946, is the first in which the employees in this service have been paid in accordance with the standard classifications provided for in Public Law 134, Postal Pay Act of 1945. Until there has been a little further experience under the new law and all positions in the service have been definitely classified, it is not possible to estimate accurately the cost of personnel required in maintenance of buildings. The amounts for temporary employment and for overtime pay appear to be somewhat excessive in view of the fact that the estimate includes provision for a considerable number of new full-time permanent positions in 1947, and the reduction of \$625,000, therefore, has been made pending better information on the total cost of the new act.

REVISIONS IN LANGUAGE OF THE BILL

The joint efforts of the Bureau of the Budget, the General Accounting Office, and departmental officials have resulted in simplification of the language of the paragraphs relating to "Contingent expenses" for the Treasury Department and to "Contingent expenses," "Printing and binding," "Miscellaneous expenses" of the Railway Mail Service; "Manufacture of stamps," "Stationery and equipment," "Equipment shops," "Vehicle service," and "Public buildings maintenance," for the Post Office Department.

These revisions have eliminated unnecessary verbiage without adding to or detracting from the authority of the Departments and, on that account, are approved by the committee. In the case of the appropriation for "Operating force, public buildings," the revision also brings the paragraph in line with the provisions of the Postal Pay Act of 1945.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATION BILL, 1947

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947

TITLE I—TREASURY DEPARTMENT

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (−) bill compared with 1946 appropriations	Increase (+) or decrease (−) bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (−) bill compared with 1947 Budget estimates
OFFICE OF SECRETARY OF TREASURY						
Secretary's office, salaries-----	\$360, 000	\$442, 000	\$422, 000	+\$62, 000	+\$20, 230	−\$20, 000
Cost of handling penalty mail-----	5, 701, 500	4, 743, 000	4, 400, 000	−1, 301, 500	−1, 301, 500	−343, 000
Division of Tax Research-----	153, 500	176, 000	175, 000	+21, 500	+433	−1, 000
Tax Legislative Counsel's office, salaries-----	80, 000	90, 500	87, 500	+7, 500	−2, 547	−3, 000
Foreign Funds Control-----	2, 000, 000	1, 300, 000	1, 000, 000	−1, 000, 000	−1, 110, 321	−300, 000
Division of Research and Statistics--	155, 000	178, 100	165, 000	+10, 000	−11, 419	−13, 100
General Counsel's office, salaries-----	160, 000	179, 100	175, 000	+15, 000	−3, 596	−4, 100
Personnel Division-----	164, 000	206, 900	190, 000	+26, 000	+775	−16, 900
Chief clerk, office of, salaries-----	286, 000	355, 000	350, 000	+64, 000	+16, 670	−5, 000
Miscellaneous expenses-----	1 260, 000	240, 000	230, 000	−30, 000	−30, 000	−10, 000
Printing and binding-----	28, 000	28, 000	28, 000			

Treasury buildings: Operating force, salaries-----	452, 000	555, 000	555, 000	+ 103, 000	+ 6, 410	-----
Total, Office of Secretary of the Treasury, including special items-----	9, 800, 000	8, 493, 600	7, 777, 500	-2, 022, 500	-2, 414, 765	-716, 100
BUREAU OF ACCOUNTS						
Salaries and expenses-----	832, 760	861, 500	850, 000	+ 17, 240	-80, 374	-11, 500
Printing and binding-----	32, 000	40, 000	35, 000	+ 3, 000	+ 3, 000	-5, 000
Disbursement, Division of:						
Salaries and expenses-----	² 5, 700, 000	7, 200, 000	7, 100, 000	+ 1, 400, 000	+ 812, 045	-100, 000
Printing and binding-----	³ 184, 000	210, 000	184, 000	-----	-----	-26, 000
Contingent expenses, public moneys-----	450, 000	426, 000	415, 000	-35, 000	-35, 000	-11, 000
Relief of indigent of Alaska-----	24, 000	20, 000	19, 000	-5, 000	-5, 000	-1, 000
Deposit of withheld taxes, salaries and expenses-----	500, 000	500, 000	475, 000	-25, 000	-25, 000	-25, 000
Recoinage of silver coins-----	140, 000	140, 000	140, 000	-----	-----	-----
Total, Bureau of Accounts-----	7, 862, 760	9, 397, 500	9, 218, 000	+ 1, 355, 240	+ 669, 671	-179, 500
BUREAU OF THE PUBLIC DEBT						
Administering the public debt-----	84, 250, 000	69, 700, 000	64, 700, 000	-19, 550, 000	-22, 079, 430	-5, 000, 000
Distinctive paper for United States securities-----	800, 000	775, 000	775, 000	-25, 000	-25, 000	-----
Total, Bureau of the Public Debt-----	85, 050, 000	70, 475, 000	65, 475, 000	-19, 575, 000	-22, 104, 430	-5, 000, 000

³ Includes \$54, 000 in First Deficiency Act, 1946.¹ Includes \$4, 000 in First Deficiency Act, 1946.² Includes \$1, 000, 000 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE I—TREASURY DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
OFFICE OF TREASURER OF UNITED STATES						
Salaries and expenses-----	\$4,600,000	\$4,955,000	\$4,750,000	+\$150,000	-\$444,475	-\$205,000
Federal Reserve and national currency, salaries for redemption of (reimbursable)-----	80,000	125,900	110,000	+30,000	+16,194	-15,900
Printing and binding-----	275,000	225,000	215,000	-60,000	-60,000	-10,000
Total, Treasurer's office-----	4,955,000	5,305,900	5,075,000	+120,000	-488,281	-230,900
CUSTOMS SERVICE						
Salaries and expenses-----	424,118,000	29,957,000	29,350,000	+5,232,000	+1,548,000	-607,000
Printing and binding-----	80,000	80,000	80,000	-----	-----	-----
Total, Customs Service-----	24,198,000	30,037,000	29,430,000	+5,232,000	+1,548,000	-607,000

OFFICE OF COMPTROLLER OF CURRENCY									
Salaries-----	233, 000	269, 000	-----	-----	-----	-----	-----	-----	-----
Printing and binding-----	12, 000	12, 000	-----	-----	-----	-----	-----	-----	-----
Total, Office of Comptroller-----	245, 000	281, 000	-----	-----	-----	-----	-----	-----	-----
INTERNAL REVENUE BUREAU									
Expenses of assessing and collecting taxes-----	136, 300, 000	186, 700, 000	184, 700, 000	-----	-----	-----	-----	-----	-----
Additional income tax on railroads in Alaska-----	9, 600	7, 000	7, 000	-----	-----	-----	-----	-----	-----
Total, Bureau of Internal Revenue-----	136, 309, 600	186, 707, 000	184, 707, 000	-----	-----	-----	-----	-----	-----
BUREAU OF NARCOTICS									
Salaries and expenses-----	1, 167, 400	1, 331, 000	1, 300, 000	-----	-----	-----	-----	-----	-----
Printing and binding-----	4, 000	4, 000	4, 000	-----	-----	-----	-----	-----	-----
Total, Bureau of Narcotics-----	1, 171, 400	1, 335, 000	1, 304, 000	-----	-----	-----	-----	-----	-----
BUREAU OF ENGRAVING AND PRINT- ING									
Salaries and expenses-----	10, 400, 000	12, 166, 000	11, 750, 000	-----	-----	-----	-----	-----	-----
Printing and binding-----	5, 500	5, 500	5, 500	-----	-----	-----	-----	-----	-----
Total, Bureau of Engraving and Printing-----	10, 405, 500	12, 171, 500	11, 755, 500	-----	-----	-----	-----	-----	-----

* Includes \$1,218,000 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE I—TREASURY DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
SECRET SERVICE						
Departmental salaries-----	\$72, 500	\$103, 500	\$100, 000	+\$27, 500	+\$17, 390	—\$3, 500
Printing and binding-----	7, 000	8, 000	8, 000	+1, 000	+1, 000	-----
Suppressing counterfeiting and other crimes-----						
White House Police, salaries-----	1, 400, 000	1, 911, 000	1, 800, 000	+400, 000	+262, 597	—111, 000
Uniforms and equipment-----	260, 000	325, 000	325, 000	+65, 000	+25, 230	-----
Guard force, salaries-----	9, 000	9, 000	9, 000	-----	-----	-----
Reimbursement to District of Columbia-----	654, 000	837, 000	825, 000	+171, 000	+46, 396	—12, 000
	31, 500	45, 000	45, 000	+13, 500	+13, 500	-----
Total, Secret Service-----	2, 434, 000	3, 238, 500	3, 112, 000	+678, 000	+366, 113	—126, 500
BUREAU OF THE MINT						
Director's office, salaries and expenses-----	145, 000	180, 500	170, 000	+25, 000	+7, 096	—10, 500
Freight on bullion and coin-----	12, 800	94, 000	85, 000	+72, 200	+72, 200	—9, 000
Operation of mints and assay offices-----	5, 400, 000	6, 775, 000	6, 000, 000	+600, 000	+442, 907	—775, 000

Printing and binding-----	8, 000	9, 500	9, 500	+ 1, 500	+ 1, 500	-----
Total, mints and assay offices-	5, 565, 800	7, 059, 000	6, 264, 500	+ 698, 700	+ 523, 703	- 794, 500
PROCUREMENT DIVISION, SUPPLY BRANCH						
Salaries and expenses-----	1, 300, 000	1, 327, 000	1, 227, 000	- 73, 000	- 229, 049	- 100, 000
Printing and binding-----	150, 000	150, 000	150, 000			-----
Surplus Property Program-----	14, 999, 000			- 14, 999, 000	- 14, 999, 000	-----
Total, Procurement Division, Branch of Supply-----	16, 449, 000	1, 477, 000	1, 377, 000	- 15, 072, 000	- 15, 228, 049	- 100, 000
Total, Treasury Department, title I, regular annual ap- propriations-----	304, 446, 060	335, 978, 000	325, 495, 500	+ 21, 049, 440	- 7, 020, 235	- 10, 482, 500

TITLE II—POST OFFICE DEPARTMENT

POST OFFICE DEPARTMENT, WASHINGTON, D. C.						
<i>Salaries</i>						
Postmaster General, office of-----	⁵ \$260, 150	\$335, 000	\$319, 900	+ \$59, 750	+ \$24, 903	- \$15, 100
Office of Budget and Administrative Planning-----	⁶ 37, 850	53, 600	50, 650	+ 12, 800	+ 8, 590	- 2, 950
First Assistant Postmaster General, office of-----	⁷ 742, 300	964, 600	940, 000	+ 197, 700	+ 91, 067	- 24, 600

⁵ Includes \$12,700 in First Deficiency Act, 1946.⁶ Includes \$1,200 in First Deficiency Act, 1946.⁷ Includes \$31,500 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill com- pared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropri- ations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
POST OFFICE DEPARTMENT, WASHINGTON, D. C.—continued						
Salaries—Continued						
Second Assistant Postmaster Gen- eral, office of-----	⁸ \$573, 850	\$774, 000	\$750, 000	+\$176, 150	+\$91, 771	—\$24, 000
Third Assistant Postmaster Gen- eral, office of-----	⁹ 909, 000	1, 183, 000	1, 148, 000	+239, 000	+104, 637	—35, 000
Fourth Assistant Postmaster Gen- eral, office of-----	¹⁰ 483, 540	659, 800	630, 000	+146, 460	+80, 737	—29, 800
Solicitor's office-----	¹¹ 125, 900	170, 000	147, 500	+21, 600	+6, 061	—22, 500
Chief inspector's office-----	¹² 301, 400	393, 000	368, 000	+66, 600	+22, 743	—25, 000
Purchasing agent's office-----	58, 200	67, 800	67, 800	+9, 600	+1, 081	-----
Bureau of Accounts-----	¹³ 414, 400	544, 000	500, 000	\$5, 600	+30, 552	—44, 000
Total salaries-----	3, 906, 590	5, 144, 800	4, 921, 850	+1, 015, 260	+462, 142	—222, 950

CONTINGENT

Miscellaneous expenses, Washington-----	14 158,000	160,000	155,000	-3,000	-3,000	-5,000
Printing and binding-----	1,750,000	1,856,000	1,825,000	+75,000	+75,000	-31,000
Total, contingent expenses, Washington-----	1,908,000	2,016,000	1,980,000	+72,000	+72,000	-36,000
Grand total, Post Office De- partment, Washington, D. C.-----	5,814,590	7,160,800	6,901,850	+1,087,260	+534,142	-258,950

POSTAL SERVICE

Office of Postmaster General

Travel and miscellaneous expenses-----	3,000	3,000	3,000	-----	-----	-----
Personal property claims-----	15 140,000	124,000	124,000	-16,000	-16,000	-----
Adjusted losses and contingencies-----	55,000	55,000	55,000	-----	-----	-----
Inspectors:						
Salaries of-----	3,073,375	4,000,000	3,838,000	+764,625	+353,425	-162,000
Traveling and miscellaneous ex- penses of-----	956,250	1,014,000	960,000	+3,750	+3,750	-54,000

⁸ Includes \$20,600 in First Deficiency Act, 1946.⁹ Includes \$30,000 in First Deficiency Act, 1946.¹⁰ Includes \$28,800 in First Deficiency Act, 1946.¹¹ Includes \$5,300 in First Deficiency Act, 1946.¹² Includes \$9,600 in First Deficiency Act, 1946.¹³ Includes \$9,400 in First Deficiency Act, 1946.¹⁴ Includes \$25,000 in First Deficiency Act, 1946.¹⁵ Includes \$65,000 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947 —
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
POSTAL SERVICE—continued					
<i>Office of Postmaster General—Con.</i>					
Clerks at headquarters-----	16 \$982,500	\$1,113,500	\$1,073,500	+\$91,000	—\$40,000
Rewards, payment of-----	55,000	55,000	55,000	-----	-----
Total, office of Postmaster General-----	5,265,125	6,364,500	6,108,500	+843,375	+255,331
<i>First Assistant Postmaster General</i>					
Postmasters-----	59,773,000	75,000,000	74,000,000	+14,227,000	+2,180,533
Assistant postmasters-----	10,071,000	12,011,000	11,440,000	+1,369,000	—716,528
Clerks, first- and second-class post offices-----	302,000,000	394,870,000	391,870,000	+89,870,000	+20,870,266
Contract stations-----	2,900,000	3,200,000	3,100,000	+200,000	+200,000
Separating mails at third- and fourth-class post offices-----	427,400	192,000	180,000	—247,400	—12,000
Unusual conditions at post offices-----	500,000	50,000	50,000	—450,000	—450,000

Clerks, third-class offices-----	11, 492, 000	18, 152, 000	17, 512, 000	+6, 020, 000	+469, 151	-640, 000
Miscellaneous items, first- and second-class post offices-----	3, 200, 000	3, 200, 000	3, 000, 000	-200, 000	-362, 680	-200, 000
Village delivery service-----	375, 000	273, 400	273, 400	-101, 600	-123, 884	-----
Detroit River postal service-----	12, 990	12, 990	12, 990	-----	-----	-----
Carfare and bicycle allowance including special-delivery carfare--	1, 575, 000	1, 591, 000	1, 575, 000	-----	-----	-16, 000
Letter carriers, city delivery service--	172, 000, 000	218, 300, 000	217, 000, 000	+45, 000, 000	+13, 545, 876	-1, 300, 000
Fees to special-delivery messengers--	11, 500, 000	13, 176, 000	12, 500, 000	+1, 000, 000	+745, 537	-676, 000
Rural delivery service-----	93, 598, 000	115, 000, 000	114, 500, 000	+20, 902, 000	+7, 263, 149	-500, 000
Total, office of First Assistant.	669, 424, 390	855, 028, 390	847, 013, 390	+177, 589, 000	+43, 374, 020	-8, 015, 000
<i>Second Assistant Postmaster General</i>						
Inland transportation:						
Star-route service (except Alaska)-----	19, 150, 000	21, 000, 000	20, 700, 000	+1, 550, 000	+1, 550, 000	-300, 000
Star routes in Alaska-----	400, 000	400, 000	375, 000	-25, 000	-25, 000	-25, 000
Steamboat or other powerboat routes-----	500, 000	1, 737, 000	1, 600, 000	+1, 100, 000	+1, 100, 000	-137, 000
Railroad routes and mail-messenger service-----	145, 000, 000	138, 000, 000	137, 000, 000	-8, 000, 000	-8, 000, 000	-1, 000, 000

¹⁸ Includes \$22,500 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (-), bill compared with 1946 appropriations	Increase (+) or decrease (-), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (-), bill compared with 1947 Budget estimates
POSTAL SERVICE—continued						
Second Assistant Postmaster General—Continued						
Railway mail service:						
Salaries-----	\$74, 000, 000	\$86, 000, 000	\$85, 500, 000	+\$11, 500, 000	-\$217, 084	-\$500, 000
Travel allowance to railway postal clerks-----	4, 025, 000	5, 040, 000	4, 800, 000	+775, 000	+775, 000	-240, 000
Travel expenses, superintendents, chief clerks, etc-----	61, 300	58, 000	58, 000	-3, 300	-3, 300	-----
Rent, light, fuel, etc-----	420, 600	430, 000	415, 000	-5, 600	-5, 600	-15, 000
By electric and cable cars-----	235, 000	238, 000	235, 000	-----	-----	-3, 000
Foreign mail transportation (excluding foreign air mail)-----	400, 000	5, 000, 000	4, 000, 000	+3, 600, 000	+3, 600, 000	-1, 000, 000
Foreign countries, balances due-----	(17)	(17)	(17)	-----	-----	-----
Foreign air-mail transportation-----	4, 836, 000	5, 000, 000	5, 000, 000	+164, 000	+164, 000	-----

Indemnities for loss or injury of international mail-----	8,000	8,000	8,000	-----	-----	-----
Domestic air-mail transportation----	43,315,000	50,000,000	49,000,000	+5,685,000	+5,665,980	-1,000,000
Total, Office of Second Assistant-----	292,350,900	312,911,000	308,691,000	16,340,100	+4,603,996	-4,220,000
<i>Third Assistant Postmaster General</i>						
Stamps, stamped envelopes, newspaper wrappers, and postal cards-----	6,500,000	7,402,000	6,500,000	-----	-4,200	-902,000
Indemnity for loss of registered mail, etc-----	¹⁸ 1,998,000	2,364,000	2,200,000	+202,000	+202,000	-164,000
Unpaid money orders-----	¹⁹ 1,190,000	1,595,000	1,300,000	+110,000	+110,000	-295,000
Total, Office of Third Assistant-----	9,688,000	11,361,000	10,000,000	+312,000	+307,800	-1,361,000
<i>Fourth Assistant Postmaster General</i>						
Stationery, equipment, and supplies----	²⁰ 4,903,600	6,384,000	6,000,000	+1,096,400	+1,079,450	-384,000
Equipment shops-----	2,480,000	2,664,000	2,575,000	+95,000	-47,514	-89,000
Rent, light, and fuel-----	11,700,000	12,825,000	12,525,000	+825,000	+825,000	-300,000
Pneumatic-tube service (New York)----	537,000	-----	-----	-537,000	-586,700	-----
Pneumatic-tube service (Boston)-----	24,000	-----	-----	-24,000	-24,000	-----

¹⁴ Includes \$25,000 in First Deficiency Act, 1946.¹⁵ Includes \$65,000 in First Deficiency Act, 1946.¹⁷ Unexpended balance continued available.¹⁸ Includes \$728,000 in First Deficiency Act, 1946.¹⁹ Includes \$390,000 in First Deficiency Act, 1946.²⁰ Includes \$3,600 in First Deficiency Act, 1946.

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947—
Continued

TITLE II—POST OFFICE DEPARTMENT—Continued

Object	Appropriations for 1946	Budget estimates for 1947	Recommended in bill for 1947	Increase (+) or decrease (—), bill compared with 1946 appropriations	Increase (+) or decrease (—), bill compared with 1946 appropriations including Pay Act funds to be appropriated for 1946	Increase (+) or decrease (—), bill compared with 1947 Budget estimates
POSTAL SERVICE—continued						
<i>Fourth Assistant Postmaster General—Continued</i>						
Pneumatic-tube service (New York and Boston)-----		\$608, 700	\$608, 700	+\$608, 700	+\$608, 700	-----
Vehicle service-----	\$21, 848, 400	36, 950, 000	33, 650, 000	+11, 801, 600	+9, 873, 407	-\$3, 300, 000
Transportation of equipment-----	320, 000	745, 500	520, 000	+200, 000	+200, 000	-225, 500
Public buildings, maintenance and operation:						
Operating force-----	27, 164, 000	37, 620, 000	37, 000, 000	+9, 836, 000	+3, 468, 625	-620, 000
Operating supplies-----	6, 500, 000	6, 797, 500	6, 650, 000	+150, 000	+150, 000	-147, 500
Furniture, etc-----	550, 000	818, 800	818, 000	+268, 000	+268, 000	-800
Total, Office of Fourth Assistant-----	76, 027, 000	105, 413, 500	100, 346, 700	+24, 319, 700	+15, 814, 968	-5, 066, 800
Total, postal service-----	1, 052, 755, 415	1, 291, 078, 390	1, 272, 159, 590	+219, 404, 175	+64, 356, 115	-18, 918, 800

Total, Post Office Department-----	5,814,590	7,160,800	6,901,850	+1,087,260	+534,142	-258,950
Total, Title II-----	1,058,570,005	1,298,239,190	1,279,061,440	+220,491,435	+64,890,257	-19,177,750
Grand total, Titles I and II----	1,363,016,065	1,634,217,190	1,604,556,940	+241,540,875	+57,870,022	-29,660,250

PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS

Object	Appropriations, 1946	Estimates, 1947	Increase (+) or decrease (-)
ANNUAL INDEFINITE APPROPRIATIONS			
Internal-revenue refunds-----	\$2,584,000,000	\$1,570,000,000	-\$1,014,000,000
Payment of certified claims-----	1,500,000	1,500,000	-----
Refunds, drawbacks, etc-----	15,000,000	15,000,000	-----
Refund of moneys erroneously received and covered-----	400,000	400,000	-----
Total, annual indefinite appropriations-----	2,600,900,000	1,586,900,000	-1,014,000,000
PERMANENT APPROPRIATIONS			
General and special funds:			
Excess profits tax, refund bonds-----	100,000,000	-----	-100,000,000
Interest on deposits of public money of Philippine Islands-----	2,010,000	2,010,000	-----
Pershing Hall memorial fund-----	5,043	5,043	-----
War contributions fund-----	175,000	-----	-175,000
Redemption of bonds from repayment of Public Works Administration loans-----	5,000,000	5,000,000	-----

* Includes \$6,155,000 for "Refunds and payments of processing and related taxes, Bureau of Internal Revenue."

Comparative statement of the appropriations for 1946, the estimates for 1947, and amounts recommended in bill for 1947 — Continued

PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS—Continued

Object	Appropriations, 1946	Estimates, 1947	Increase (+) or decrease (—)
PERMANENT APPROPRIATIONS—continued			
General and special funds—Continued			
Sinking fund-----	\$587, 560, 154	\$587, 560, 154	-----
Interest on the public debt-----	4, 750, 000, 000	5, 000, 000, 000	+ \$250, 000, 000
Miscellaneous gifts, forfeitures, etc-----	5, 000	5, 000	-----
Obligations retired from Federal Intermediate Credit Bank franchise tax receipts-----	305, 797	150, 000	—155, 797
Contingent expenses, national currency (reimbursable)-----	1, 800	2, 500	+ 700
Total, general and special funds-----	5, 445, 062, 794	5, 594, 732, 697	+ 149, 669, 903
Trust funds:			
Federal old-age and survivors insurance trust fund-----	1, 245, 006, 473	1, 590, 816, 569	+ 345, 810, 096
Unemployment trust fund-----	1, 316, 489, 773	1, 248, 143, 301	—68, 346, 472
Unclaimed moneys, payment of-----	65, 000	65, 000	-----
Philippine trust fund, coconut oil (internal revenue)-----	6, 410, 000	1, 150, 000	—5, 260, 000
Philippine trust fund (internal revenue)-----	500	500	-----
Puerto Rico trust fund (internal revenue)-----	10, 000	10, 000	-----

Expenses, Prohibition Act, Puerto Rico and Virgin Islands-----	68, 570	68, 000	—570
American Samoa trust fund-----	1, 500	1, 500	-----
Total, trust funds-----	2, 568, 051, 816	2, 840, 254, 870	+272, 203, 054

O

Union Calendar No. 466

79TH CONGRESS
2D SESSION

H. R. 5452

[Report No. 1554]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 12, 1946

Mr. LUDLOW, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1947,
7 namely:

1 OFFICE OF THE SECRETARY

2 Salaries: Secretary of the Treasury, Under Secretary of
3 the Treasury, Fiscal Assistant Secretary of the Treasury,
4 two Assistant Secretaries of the Treasury, and other per-
5 sonal services in the District of Columbia, \$422,000: *Pro-*
6 *vided*, That no part of the money appropriated shall be used
7 to pay the salaries of more than eighteen messengers assigned
8 to duty in the Office of the Secretary.

9 Penalty mail costs: For deposit in the general fund of
10 the Treasury for cost of penalty mail of the Treasury De-
11 partment as required by section 2 of the Act of June 28,
12 1944 (Public Law 364), \$4,400,000.

13 FOREIGN FUNDS CONTROL

14 Foreign funds control: For all expenses necessary in
15 carrying out the functions of the Secretary of the Treasury
16 under sections 3 and 5 (b) of the Act of October 6,
17 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C.
18 (Suppl. 1941) 5 (b)), and any proclamations, orders,
19 regulations, or instructions issued thereunder; and in exer-
20 cising fiscal, financial, banking, property-control, and related
21 functions, authorized by law, administered by the Treas-
22 ury Department in foreign countries and arising out of
23 military operations of the United States; including personal
24 services; purchase of lawbooks, books of reference, periodi-
25 cals, and newspapers; printing and binding; maintenance, re-

1 pair, and operation of a motor-propelled passenger-carrying
2 vehicle; and reimbursement of any other appropriation or
3 other funds of the United States or any agency, instrumen-
4 tality, Territory, or possession thereof, including the Philip-
5 pine Islands, and reimbursement of any Federal Reserve
6 bank for printing and other expenditures; \$1,000,000.

7 DIVISION OF TAX RESEARCH

8 Salaries: For personal services in the District of Colum-
9 bia, \$175,000.

10 OFFICE OF TAX LEGISLATIVE COUNSEL

11 Salaries: For personal services in the District of Colum-
12 bia, \$87,500.

13 DIVISION OF RESEARCH AND STATISTICS

14 Salaries: For personal services in the District of Colum-
15 bia, \$165,000.

16 OFFICE OF GENERAL COUNSEL

17 Salaries: For the General Counsel and other personal
18 services in the District of Columbia, \$175,000.

19 DIVISION OF PERSONNEL

20 Salaries: For the Chief of the Division, and other per-
21 sonal services in the District of Columbia, \$190,000.

22 OFFICE OF CHIEF CLERK

23 Salaries: For the Chief Clerk and other personal services
24 in the District of Columbia, \$350,000.

1 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

2 Miscellaneous expenses: For all necessary miscellaneous
3 expenses of the Office of the Secretary and the bureaus
4 and offices of the Treasury Department, not otherwise pro-
5 vided for; including operating expenses of the Treasury,
6 Treasury Annex, Auditors', and Liberty Loan Buildings;
7 books of reference, lawbooks, and periodicals; newspapers;
8 not to exceed \$15,000 for travel expenses; maintenance,
9 operation, and repair of three passenger automobiles (one
10 for the Secretary of the Treasury and two for general use
11 of the Department), all to be used for official purposes only;
12 not to exceed \$500 for streetcar fares; and not to exceed
13 \$25,000 for stationery; \$230,000.

14 Printing and binding: For printing and binding for
15 the Treasury Department and its several bureaus and offices,
16 and field services thereof, except such bureaus and offices
17 as may be otherwise specifically provided for, including
18 materials for the use of the bookbinder, located in the Treas-
19 ury Department, but not including work done at the
20 New York Customhouse bindery authorized by the Joint
21 Committee on Printing in accordance with the Act of March
22 1, 1919 (44 U. S. C. 111), \$28,000.

23 CUSTODY OF TREASURY BUILDINGS

24 Salaries of operating force: For the Superintendent of
25 Treasury Buildings and for other personal services in the

1 District of Columbia, including the operating force of the
2 Treasury Building, the Treasury Annex, the Liberty Loan
3 Building, the Auditors' Building, and the west and south
4 annexes thereof, \$555,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For all necessary expenses in
8 the District of Columbia, except printing and binding of the
9 Bureau of Accounts, including contract stenographic report-
10 ing services, stationery (not to exceed \$10,000), supplies
11 and equipment; purchase and exchange of lawbooks, books
12 of reference, periodicals, and newspapers; travel expenses,
13 \$850,000.

14 Salaries and expenses, deposit of withheld taxes: For
15 all necessary expenses incident to the deposit of withheld
16 taxes in Government depositories pursuant to the Current
17 Tax Payment Act of 1943, including personal services in
18 the District of Columbia; not to exceed \$15,000 for print-
19 ing and binding; and reimbursement to Federal Reserve
20 banks for printing and other necessary expenses, \$475,000.

21 Printing and binding: For printing and binding for
22 the Bureau of Accounts, \$35,000.

23 Division of Disbursement, salaries and expenses: For
24 all necessary expenses, except printing and binding, of the
25 Division of Disbursement, including personal services in

1 the District of Columbia, stationery and travel; \$7,100,000,
2 of which not to exceed \$1,000,000 shall be available imme-
3 diately: *Provided*, That with the approval of the Bureau of
4 the Budget there may be transferred to this appropriation
5 and to the appropriation "Printing and binding, Division of
6 Disbursement" from funds respectively available for such
7 purposes for the Federal Housing Administration, Federal
8 Public Housing Authority, Federal Prison Industries, Rail-
9 road Retirement Board, United States Maritime Commission,
10 the Farm Security Administration, and the Production and
11 Marketing Administration (including the Federal Surplus
12 Commodities Corporation, the Federal Crop Insurance Cor-
13 poration, and the Commodity Credit Corporation), such
14 sums as may be necessary to cover the expense incurred in
15 performing the function of disbursement therefor.

16 Printing and binding: For printing and binding,
17 Division of Disbursement, including the cost of transporta-
18 tion to field offices of printed and bound material and the cost
19 of necessary packing boxes and packing materials, \$184,000.

20 Contingent expenses, public moneys: For contingent
21 expenses under the requirements of section 3653 of the Re-
22 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
23 ing, transfer, and disbursement of the public money, trans-
24 portation of notes, bonds, and other securities of the United
25 States, transportation of gold coin and gold certificates trans-

ferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649, Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$415,000.

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$140,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska (not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska), to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$19,000.

Refund of moneys erroneously received and covered (indefinite appropriation): To enable the Secretary of the Treasury to meet any expenditures of the character formerly

1 chargeable to the appropriation accounts abolished under
2 section 18 of the Permanent Appropriation Repeal Act of
3 1934, approved June 26, 1934, and any other collections
4 erroneously received and covered which are not properly
5 chargeable to any other appropriation, there is hereby made
6 available such amount as may be necessary.

7 Payment of certified claims (indefinite appropriation) :
8 To enable the Secretary of the Treasury to pay claims (not
9 to exceed \$500 in any case) which may be certified during
10 the fiscal year 1947 by the Comptroller General of the
11 United States to be lawfully due, within the limits of, and
12 chargeable against the balances of the respective appro-
13 priations heretofore made which, after remaining unexpended,
14 have been carried to the surplus fund pursuant to section 5
15 of the Act of June 20, 1874 (31 U. S. C. 713), there is
16 hereby made available such sum as may be necessary.

17 Payment of unclaimed moneys (indefinite appropria-
18 tion) : To enable the Secretary of the Treasury to meet any
19 expenditures of the character formerly chargeable to the
20 appropriation accounts abolished under section 17 of the
21 Permanent Appropriation Repeal Act of 1934, approved
22 June 26, 1934, payable from the funds held by the United
23 States in the trust fund receipt account "Unclaimed moneys
24 of individuals whose whereabouts are unknown", there is
25 hereby made available such amount as may be necessary.

1 BUREAU OF THE PUBLIC DEBT

2 Administering the public debt: For necessary expenses
3 connected with any public-debt operations authorized by
4 the Second Liberty Bond Act, as amended (31 U. S. C.
5 760-762), and with the administration of any public debt
6 or currency issues of the United States with which the Secre-
7 tary of the Treasury is charged, \$64,700,000, to be expended
8 as the Secretary of the Treasury may direct: *Provided*,
9 That from the amount appropriated herein, the Federal
10 Reserve banks and their branches may be reimbursed for
11 expenditures made by them as fiscal agents of the United
12 States on account of public-debt transactions for the account
13 of the Secretary of the Treasury, and advances to the Post-
14 master General may be made in accordance with the pro-
15 visions of section 22 (e) of the Second Liberty Bond Act,
16 as amended (31 U. S. C. 757c (e)), which section shall
17 be construed as applying to this appropriation: *Provided*
18 *further*, That the indefinite appropriation provided by sec-
19 tion 10 of the Second Liberty Bond Act, as amended, shall
20 not be available for obligation during the fiscal year 1947.

21 Distinctive paper for United States currency: For dis-
22 tinctive paper for United States currency, including trans-
23 portation of paper, traveling, mill, and other necessary ex-
24 penses, and salaries of employees and allowance, in lieu

1 of expenses, of officer or officers detailed from the Treasury
2 Department, not exceeding \$50 per month each when ac-
3 tually on duty, \$775,000: *Provided*, That in order to foster
4 competition in the manufacture of distinctive paper for
5 United States securities, the Secretary of the Treasury is
6 authorized, in his discretion, to split the award for such
7 paper for the fiscal year 1947 between the two bidders
8 whose prices per pound are the lowest received after adver-
9 tisement.

10 OFFICE OF THE TREASURER OF THE UNITED STATES

11 Salaries and expenses: For all necessary expenses, ex-
12 cept printing and binding, of the Office of the Treasurer of
13 the United States, including purchase of periodicals and
14 books of reference, \$4,750,000: *Provided*, That with the
15 approval of the Bureau of the Budget, there may be trans-
16 ferred to this appropriation and to the appropriation "Print-
17 ing and binding, Office of the Treasurer of the United
18 States", from funds respectively available for such purposes
19 for the Home Owners' Loan Corporation, Tennessee Valley
20 Authority, Reconstruction Finance Corporation, Federal land
21 banks and other banks and corporations under the super-
22 vision of the Farm Credit Administration, Railroad Retire-
23 ment Board, United States Maritime Commission, Federal
24 Housing Administration, Federal Public Housing Authority,
25 Federal Farm Mortgage Corporation, Farm Security Ad-

1 ministration, Production and Marketing Administration
2 (including the Federal Surplus Commodities Corporation,
3 the Federal Crop Insurance Corporation, and the Com-
4 modity Credit Corporation), and corporations and banks
5 under the Federal Home Loan Bank Administration, such
6 sums as may be necessary to cover the expenses incurred
7 on account of such respective activities in clearing of checks,
8 servicing of bonds, handling of collections, and rendering of
9 accounts therefor.

10 Salaries (reimbursable) : For personal services in the
11 District of Columbia, in redeeming Federal Reserve notes,
12 \$110,000, to be reimbursed by the Federal Reserve banks.

13 Printing and binding: For printing and binding for
14 the Office of the Treasurer of the United States, \$215,000.

15 BUREAU OF CUSTOMS

16 Salaries and expenses: For collecting the revenue from
17 customs, for enforcement, as specified in Executive Order
18 9083, of certain navigation laws, for the detection and pre-
19 vention of frauds upon the customs revenue, and not to exceed
20 \$100,000 for the securing of evidence of violations of the
21 customs and navigation laws; for expenses of transportation
22 and transfer of customs receipts from points where there are
23 no Government depositories; not to exceed \$84,500 for for-
24 eign living allowances; not to exceed \$500 for subscriptions
25 to newspapers; not to exceed \$85,000 for stationery; not

1 to exceed \$12,000 for improving, repairing, maintaining,
2 or preserving buildings, inspection stations, office quarters,
3 including living quarters for officers, sheds, and sites along
4 the Canadian and Mexican borders acquired under authority
5 of the Act of June 26, 1930 (19 U. S. C. 68) ; and for the
6 purchase (not to exceed one hundred and fifty), mainte-
7 nance, repair, and operation of motor-propelled passenger-
8 carrying vehicles when necessary for official use in field
9 work; for the payment of extra compensation earned by
10 customs officers or employees for overtime services, at the
11 expense of the parties in interest, in accordance with the
12 provisions of section 5 of the Act approved February 13,
13 1911, as amended by the Act approved February 7, 1920,
14 and section 451 of the Tariff Act, 1930, as amended (19 U.
15 S. C. 261, 267, and 1451), the receipts from such overtime
16 services to be deposited as a refund to the appropriation
17 from which such overtime compensation is paid, in accord-
18 ance with the provisions of section 524 of the Tariff Act
19 of 1930, as amended; for the cost of seizure storage and dis-
20 position of any merchandise, vehicle and team, automobile,
21 boat, air or water craft, or any other conveyance seized
22 under the provisions of the customs laws; for the purchase
23 of arms, ammunition, and accessories; not to exceed
24 \$689,000 for personal services in the District of Co-
25 lumbia exclusive of ten persons from the field force

1 authorized to be detailed under section 525 of the Tariff
2 Act of 1930; and reimbursement, at not to exceed 3 cents
3 per mile, of employees for travel performed by them in pri-
4 vately owned automobiles while engaged in inspecting,
5 guarding, admeasuring, examining, sampling, investigating,
6 and storekeeping duties within the limits of their official
7 station; \$29,350,000, of which \$300,000 shall constitute an
8 advance fund to enable the Bureau of Customs to meet obli-
9 gations incurred by it arising from services rendered to
10 private interests, pending receipt of reimbursements there-
11 from, which amount shall be returned to the Treasury not
12 later than six months after the close of the fiscal year 1947.

13 Printing and binding: For printing and binding, Bureau
14 of Customs, including the cost of transportation to field offices
15 of printed and bound material and the cost of necessary
16 packing boxes and packing materials, \$80,000.

17 Refunds and drawbacks (indefinite appropriation):
18 For the refund or payment of customs collections or receipts,
19 and for the payment of debentures or drawbacks, bounties,
20 and allowances, as authorized by law, there is hereby made
21 available such amount as may be necessary.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For salaries and expenses in
24 connection with the assessment and collection of internal-
25 revenue taxes and the administration of the internal-revenue

1 laws, including the administration of such provisions of other
2 laws as are authorized by or pursuant to law to be admin-
3 istered by or under the direction of the Commissioner of
4 Internal Revenue, including one stamp agent (to be reim-
5 bursed by the stamp manufacturers) and the employment
6 of experts; the securing of evidence of violations of the Acts,
7 the cost of chemical analyses made by others than em-
8 ployees of the United States and expenses incident to such
9 chemists testifying when necessary; telegraph and telephone
10 service, postage, freight, express, necessary expenses in-
11 curred in making investigations in connection with the en-
12 rollment or disbarment of practitioners before the Treasury
13 Department in internal-revenue matters, expenses of seizure
14 and sale, and other necessary miscellaneous expenses, in-
15 cluding stenographic reporting services; for the acquisition
16 of property under the provisions of title III of the Liquor
17 Law Repeal and Enforcement Act, approved August 27,
18 1935 (49 Stat. 872-881), and the operation, maintenance,
19 and repair of property acquired under such title III; for
20 the purchase (not to exceed thirty-four), hire, maintenance,
21 repair, and operation of motor-propelled or horse-drawn
22 passenger-carrying vehicles when necessary, for official use
23 of the Alcohol Tax and Intelligence Units in field work;
24 printing and binding (not to exceed \$2,200,000); and the
25 procurement of such supplies, stationery (not to exceed

1 \$1,575,000), equipment, furniture, mechanical devices, labo-
2 ratory supplies, periodicals, newspapers for the Alcohol Tax
3 Unit, ammunition, lawbooks, and books of reference, and
4 such other articles as may be necessary, \$184,700,000, of
5 which amount not to exceed \$14,440,000 may be expended
6 for personal services in the District of Columbia: *Provided*,
7 That not more than \$100,000 of the total amount appro-
8 priated herein may be expended by the Commissioner of
9 Internal Revenue for detecting and bringing to trial persons
10 guilty of violating the internal-revenue laws or conniving at
11 the same, including payments for information and detection
12 of such violation.

13 Refunds and payments of processing and related taxes:
14 For refunds and payments of processing and related taxes
15 as authorized by titles IV and VII, Révenue Act of 1936,
16 as amended; for refunds of taxes collected (including penal-
17 ties and interest) under the Cotton Act of April 21, 1934,
18 as amended (48 Stat. 598), the Tobacco Act of June 28,
19 1934, as amended (48 Stat. 1275), and the Potato Act
20 of August 24, 1935 (49 Stat. 782), in accordance with
21 the Second Deficiency Appropriation Act, fiscal year 1938
22 (52 Stat. 1150), as amended, and as otherwise authorized
23 by law; and for redemption of tax stamps purchased under
24 the aforesaid Tobacco and Potato Acts, there is hereby con-
25 tinued available, during the fiscal year 1947, the unexpended

1 balance of the funds made available to the Treasury Depart-
2 ment for these purposes for the fiscal year 1946 by the
3 Treasury Department Appropriation Act, 1946.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$7,000.

12 Refunding internal-revenue collections (indefinite ap-
13 propriation): For refunding internal-revenue collections, as
14 provided by law, including the payment of claims for the
15 prior fiscal years and payment of accounts arising under
16 "Allowance or draw-back (Internal Revenue)", "Redemp-
17 tion of stamps (Internal Revenue)", "Refunding legacy
18 taxes, Act of March 30, 1928", and "Repayment of taxes on
19 distilled spirits destroyed by casualty", there is hereby
20 appropriated such amount as may be necessary: *Provided*,
21 That a report shall be made to Congress by internal-revenue
22 districts and alphabetically arranged of all disbursements
23 hereunder in excess of \$500 as required by section 3 of the
24 Act of May 29, 1928 (sec. 3776, I. R. C.), including the

1 names of all persons and corporations to whom such pay-
2 ments are made, together with the amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses to enforce sections
5 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-
6 3238 of the Internal Revenue Code; the Narcotic Drugs
7 Import and Export Act, as amended (21 U. S. C. 171-
8 184); the Act of June 14, 1930 (5 U. S. C. 282-282c and
9 21 U. S. C. 197-198) and the Opium Poppy Control Act
10 of 1942 (21 U. S. C. Supp. IV, 188-188n), includ-
11 ing the employment of executive officers, attorneys, agents,
12 inspectors, chemists, supervisors, clerks, messengers, and
13 other necessary employees in the field and in the Bureau
14 of Narcotics in the District of Columbia, to be appointed
15 as authorized by law; the securing of information and evi-
16 dence of violations of the afore-mentioned laws and regula-
17 tions promulgated thereunder; the costs of chemical analyses
18 made by others than employees of the United States; the
19 purchase of such supplies, equipment, mechanical devices,
20 books, stationery (not to exceed \$6,000), and such other
21 expenditures as may be necessary in the several field offices;
22 cost incurred by officers and employees of the Bureau of
23 Narcotics in the seizure, forfeiture, storage, and disposition
24 of property under the Act of August 9, 1939 (49 U. S. C.

1 781-788) and the internal-revenue laws; hire, maintenance,
2 repair, and operation of motor-propelled or horse-drawn
3 passenger-carrying vehicles when necessary for official use
4 in field work; purchase of arms and ammunition; in all,
5 \$1,300,000, of which amount not to exceed \$193,319
6 may be expended for personal services in the Dis-
7 trict of Columbia: *Provided*, That not exceeding \$10,000
8 may be expended for the collection and dissemination of in-
9 formation and appeal for law observance and law enforce-
10 ment, including cost of printing, purchase of newspapers, and
11 other necessary expenses in connection therewith: *Provided*
12 *further*, That not exceeding \$10,000 may be expended for
13 services or information looking toward the apprehension of
14 narcotic law violators who are fugitives from justice.

15 Printing and binding: For printing and binding for the
16 Bureau of Narcotics, \$4,000.

17 BUREAU OF ENGRAVING AND PRINTING

18 For the work of engraving and printing, exclusive of
19 repay work, during the fiscal year 1947, United States
20 currency and internal-revenue stamps, including opium
21 orders and special-tax stamps required under the Act of
22 December 17, 1914 (26 U. S. C. 1040, 1383), checks,
23 drafts, and miscellaneous work, as follows:

24 Salaries and expenses: For the Director, two Assistant
25 Directors, and other personal services in the District of

1 Columbia, including wages of rotary press plate printers
2 at per diem rates and all other plate printers at piece rates
3 to be fixed by the Secretary of the Treasury, not to exceed
4 the rates usually paid for such work; and all other necessary
5 expenses, except printing and binding, including engravers'
6 and printers' materials and other materials, including dis-
7 tinctive and nondistinctive paper, except distinctive paper
8 for United States currency and Federal Reserve bank cur-
9 rency; purchase of card and continuous form checks; equip-
10 ment of, repairs to, and maintenance of buildings and grounds
11 and minor alterations to buildings; periodicals, examples of
12 engraving and printing, including foreign securities and
13 stamps, and books of reference, not to exceed \$500; travel-
14 ing expenses not to exceed \$15,000; articles approved
15 by the Secretary of the Treasury as being necessary
16 for the protection of the person of employees, not to
17 exceed \$2,200; stationery, not to exceed \$5,000; transfer
18 to the Bureau of Standards for scientific investigations in
19 connection with the work of the Bureau of Engraving and
20 Printing, not to exceed \$15,000; and maintenance and
21 operation of two motor-propelled passenger-carrying vehicles;
22 \$11,750,000, to be expended under the direction of the
23 Secretary of the Treasury.

24 Printing and binding: For printing and binding for the
25 Bureau of Engraving and Printing, \$5,500.

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13

13 Suppressing counterfeiting and other crimes: For sal-
14 aries and other expenses in detecting, arresting, and deliver-
15 ing into the custody of the United States marshal or other
16 officer having jurisdiction, dealers and pretended dealers in
17 counterfeit money, persons engaged in counterfeiting, forg-
18 ing, and altering United States notes, bonds, national bank
19 notes, Federal Reserve notes, Federal Reserve bank notes,
20 and other obligations and securities of the United States
21 and of foreign governments (including endorsements thereon
22 and assignments thereof), as well as the coins of the United
23 States and of foreign governments, and persons committing
24 other crimes against the laws of the United States relating
25 to the Treasury Department and the several branches of

1 the public service under its control; purchase (not to exceed
2 sixty), hire, maintenance, repair, and operation of motor-
3 propelled passenger-carrying vehicles when necessary; pur-
4 chase of arms and ammunition; stationery (not to exceed
5 \$7,500); traveling expenses; and for no other purpose what-
6 soever, except in the performance of other duties specifically
7 authorized by law, and in the protection of the person of the
8 President and the members of his immediate family and of
9 the person chosen to be President of the United States;
10 \$1,800,000: *Provided*, That of the amount herein appro-
11 priated not to exceed \$15,000 may be expended for the
12 purpose of securing information concerning violations of the
13 laws relating to the Treasury Department, and for services
14 or information looking toward the apprehension of criminals,
15 and all vouchers claiming reimbursement from such amount
16 of \$15,000 shall have the approval of the Chief of the Secret
17 Service before payment.

18 White House Police: For one captain, one inspector,
19 four lieutenants, six sergeants, and one hundred and two
20 privates, at rates of pay provided by law, \$325,000, not-
21 withstanding the provisions of the Act of April 22, 1940
22 (3 U. S. C. 62).

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President in
2 his discretion may determine, \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For salaries and expenses of the guard force for Treasury
5 Department buildings in the District of Columbia, includ-
6 ing the Bureau of Engraving and Printing, and elsewhere,
7 including purchase, repair, and cleaning of uniforms, pur-
8 chase (not to exceed three), maintenance, repair, and opera-
9 tion of motor-propelled passenger-carrying vehicles, and the
10 purchase of arms and ammunition and miscellaneous equip-
11 ment, \$825,000: *Provided*, That not to exceed \$140,554
12 of the appropriation "Salaries and expenses, Bureau of
13 Engraving and Printing", may be transferred to this appro-
14 priation to cover service rendered such Bureau in connection
15 with the protection of currency, bonds, stamps, and other
16 papers of value the cost of producing which is not covered
17 and embraced in the direct appropriations for such Bureau:
18 *Provided further*, That the Secretary of the Treasury may
19 detail two agents of the Secret Service to supervise such
20 force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces:
25 To enable the Secretary of the Treasury to reimburse the

1 District of Columbia on a monthly basis for benefit payments
2 made from the revenues of the District of Columbia to mem-
3 bers of the White House Police force and such members of
4 the United States Secret Service Division as are entitled
5 thereto under the Act of October 14, 1940 (54 Stat. 1118),
6 to the extent that such benefit payments are in excess of
7 the salary deductions of such members credited to said
8 revenues of the District of Columbia during the fiscal year
9 1947, pursuant to section 12 of the Act of September 1,
10 1916 (39 Stat. 718), as amended, \$45,000.

11 BUREAU OF THE MINT

12 Salaries and expenses, Office of the Director: For per-
13 sonal services in the District of Columbia and for assay
14 laboratory chemicals, fuel, materials, balances, weights,
15 stationery (not to exceed \$700), books, periodicals, speci-
16 mens of coins, ores, and travel and other expenses incident
17 to the examination of mints, visiting mints for the purpose
18 of superintending the annual settlement, and for the collec-
19 tion of statistics relative to the annual production and con-
20 sumption of the precious metals in the United States,
21 \$170,000.

22 Transportation of bullion and coin: For transportation
23 of bullion and coin, by registered mail or otherwise, between
24 mints, assay offices, and bullion depositories, \$85,000, in-

1 cluding compensation of temporary employees and other
2 necessary expenses.

3 Salaries and expenses, mints and assay offices: For com-
4 pensation of officers and employees of the mints at Philadel-
5 phia, Pennsylvania; San Francisco, California; and Denver,
6 Colorado; the assay offices at New York, New York; and
7 Seattle, Washington, and the bullion depositories at Fort
8 Knox, Kentucky; and West Point, New York, including
9 necessary personal services for carrying out the provisions
10 of the Gold Reserve Act of 1934 and the Silver Purchase
11 Act of 1934, and any Executive orders, proclamations, and
12 regulations issued thereunder, and for incidental and con-
13 tingent expenses, including traveling expenses, stationery
14 (not to exceed \$3,900), new machinery and repairs,
15 arms and ammunition, purchase and maintenance of uni-
16 forms and accessories for guards, protective devices, and
17 their maintenance, training of employees in use of firearms
18 and protective devices, maintenance, repair, and operation
19 of three motor-propelled passenger-carrying vehicles, cases
20 and enameling for medals manufactured, net wastage in
21 melting and refining and in coining departments, loss on sale
22 of sweeps arising from the treatment of bullion and the
23 manufacture of coins, not to exceed \$500 for the expenses
24 of the annual assay commission, and not exceeding \$1,000
25 for the acquisition, at the dollar face amount or otherwise, of

1 specimen and rare coins, including United States and foreign
2 gold coins and pieces of gold used as, or in lieu of, money,
3 and ores, for addition to the Government's collection of such
4 coins, pieces, and ores; \$6,000,000.

5 Printing and binding: For printing and binding for the
6 Bureau of the Mint, \$9,500.

7 For a period of two years following the enactment of
8 this Act, the Secretary of the Treasury is authorized to sell
9 or lease for manufacturing uses, including manufacturing
10 uses incident to reconversion and the building up of employ-
11 ment in industry, upon such terms as the Secretary of the
12 Treasury shall deem advisable, to any person, partnership,
13 association, or corporation, or any department of the Gov-
14 ernment, any silver held or owned by the United States at
15 not less than 71.11 cents per fine troy ounce: *Provided*, That
16 at all times the ownership and the possession or control
17 within the United States of an amount of silver of a mone-
18 tary value equal to the face amount of all outstanding silver
19 certificates heretofore or hereafter issued by the Secretary
20 of the Treasury shall be maintained by the Treasury.

21 PROCUREMENT DIVISION

22 Salaries and expenses: For the Director of Procurement
23 and other personal services in the District of Columbia and
24 in the field service, and for miscellaneous expenses, includ-

1 ing office supplies and materials, stationery (not to exceed
2 \$31,500), purchase of motortrucks and maintenance and
3 operation of such trucks and motor-propelled passenger-
4 carrying vehicles, telegrams, telephone service, traveling
5 expenses, office equipment, fuel, light, electric current,
6 and other expenses for carrying into effect regulations
7 governing the procurement, warehousing, and distribution
8 by the Procurement Division of the Treasury Department
9 of property, equipment, stores, and supplies in the District
10 of Columbia and in the field, \$1,227,000: *Provided*, That the
11 Secretary of the Treasury is authorized and directed during
12 the fiscal year 1947 to transfer to this appropriation
13 from any appropriations or funds available to the several
14 departments and establishments of the Government for the
15 fiscal year 1947 such amounts as may be approved by
16 the Bureau of the Budget, not to exceed the sum of (a)
17 the amount of the annual compensation of employees who
18 may be transferred or detailed to the Procurement Division,
19 respectively, from any such department or establishment,
20 where the transfer or detail of such employees is incident
21 to a transfer of a function or functions to that Division and
22 (b) such amount as the Bureau of the Budget may deter-
23 mine to be necessary for expenses other than personal
24 services incident to the proper carrying out of functions so
25 transferred: *Provided further*, That when there has been or

1 shall be transferred from any agency of the Government to
2 the Procurement Division any function of warehousing, and
3 the agency from which such function is being transferred
4 is authorized at the time of such transfer to perform functions
5 of procurement, warehousing, or distribution of property,
6 equipment, stores, or supplies for non-Federal agencies the
7 Procurement Division is authorized during the fiscal year
8 1947 to continue the performance of such functions for
9 such non-Federal agencies where such functions are to
10 be discontinued by the agency from which the warehousing
11 function has been transferred, and the receipts, including
12 surcharge, for all issues to and all advances by all non-
13 Federal agencies shall be credited to the general supply
14 fund: *Provided further*, That payments during the fiscal
15 year 1947 to the general supply fund for materials, and
16 supplies (including fuel), and services, and overhead ex-
17 penses for all issues shall be made on the books of the
18 Treasury Department by transfer and counterwarrants pre-
19 pared by the Procurement Division of the Treasury Depart-
20 ment and countersigned by the Comptroller General, such
21 warrants to be based solely on itemized invoices prepared
22 by the Procurement Division at issue prices to be fixed
23 by the Director of Procurement: *Provided further*, That
24 payments covering transactions between the Procurement

1 Division and field offices of other Government agencies
2 whose detailed appropriation or fund accounts are main-
3 tained elsewhere than within the District of Columbia, may
4 be made on the basis of itemized vouchers or invoices
5 prepared by the Procurement Division and sent through
6 the appropriate field offices to the disbursing officers for
7 the agencies involved, who are hereby authorized to make
8 payment based (1) upon certification of the Procurement
9 Division, which shall include the specific statement that
10 the vouchers are issued pursuant to and in conformity with
11 purchase orders or requisitions duly executed by the agency
12 billed, and (2) upon approval and certification of such
13 vouchers by the agency billed, which action shall be based
14 upon acceptance of the Procurement Division certification
15 as made, subject to later adjustment if necessary, the re-
16 sponsibility of the certifying officer to be limited to the avail-
17 ability of the funds to be charged: *Provided further*, That
18 the general supply fund may be used to purchase from or
19 through the Public Printer standard forms and blankbook
20 work for field warehouse stocking and issue, but issues
21 thereof shall be made only to Government agencies and
22 shall be chargeable to applicable appropriation authoriza-
23 tions or limitations of such agencies for printing and binding,
24 and reports of such issues shall be made as the Public Printer
25 may require: *Provided further*, That advances received

1 pursuant to law (31 U. S. C. 686) from departments and
2 establishments of the United States Government and the
3 government of the District of Columbia during the fiscal
4 year 1947 shall be credited to the general supply fund:
5 *Provided further*, That during the fiscal year 1947
6 there shall be available from the general supply fund
7 for personal services in the District of Columbia not to
8 exceed \$1,250,000: *Provided further*, That per diem em-
9 ployees engaged in work in connection with operations of
10 the fuel yards may be paid rates of pay approved by the
11 Secretary of the Treasury not exceeding current rates for
12 similar services in the District of Columbia: *Provided further*,
13 That the term "fuel" shall be held to include "fuel oil":
14 *Provided further*, That the reconditioning and repair of sur-
15 plus property and equipment for disposition or reissue to
16 Government service, may be made at cost by the Procure-
17 ment Division, payment therefor to be effected by charging
18 the proper appropriation and crediting the general supply
19 fund: *Provided further*, That all orders for printing and
20 binding for the Treasury Department, exclusive of work
21 performed in the Bureau of Engraving and Printing and
22 exclusive of such printing and binding as may under existing
23 law be procured by field offices under authorization of the
24 Joint Committee on Printing, shall be placed by the Director

1 of Procurement in accord with the provisions of existing
2 law.

3 Repairs to typewriting machines (except bookkeeping
4 and billing machines) in the Government service in the
5 District of Columbia and areas adjacent thereto may be made
6 at cost by the Procurement Division, payment therefor to be
7 effected by charging the proper appropriation and crediting
8 the general supply fund.

9 No part of any money appropriated by this or any other
10 Act shall be used during the fiscal year 1947 for
11 the purchase, within the continental limits of the United
12 States, of any standard typewriting machines (except book-
13 keeping, billing, and electric machines) at a price in excess
14 of the following for models with carriages which will ac-
15 commodate paper of the following widths, to wit: Ten inches
16 (correspondence models), \$70; twelve inches, \$75; four-
17 teen inches, \$77.50; sixteen inches, \$82.50; eighteen inches,
18 \$87.50; twenty inches, \$94; twenty-two inches, \$95;
19 twenty-four inches, \$97.50; twenty-six inches, \$103.50;
20 twenty-eight inches, \$104; thirty inches, \$105; thirty-two
21 inches, \$107.50; or, for standard typewriting machines dis-
22 tinctively quiet in operation, the maximum prices shall be
23 as follows for models with carriages which will accommodate
24 paper of the following widths, to wit: Ten inches, \$80;

1 twelve inches, \$85; fourteen inches, \$90; eighteen inches,
2 \$95: *Provided*, That there may be added to such prices the
3 amount of Federal excise taxes paid or payable with respect
4 to any such machines.

5 Printing and binding: For printing and binding for the
6 Procurement Division, including printed forms and miscel-
7 laneous items for general use of the Treasury Department,
8 the cost of transportation to field offices of printed and bound
9 material and the cost of necessary packing boxes and pack-
10 ing materials, \$150,000, together with not to exceed \$4,000
11 to be transferred from the general supply fund, Treasury
12 Department.

13 No part of any appropriation or authorization in this
14 Act shall be used to pay any part of the salary or expenses
15 of any person whose salary or expenses are prohibited from
16 being paid from any appropriation or authorization in any
17 other Act.

18 This title may be cited as the "Treasury Department
19 Appropriation Act, 1947".

20 TITLE II—POST OFFICE DEPARTMENT

21 The following sums are appropriated in conformity with
22 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office
23 Department for the fiscal year ending June 30, 1947,
24 namely:

1 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
2 COLUMBIA

3 OFFICE OF THE POSTMASTER GENERAL

4 Salaries: For the Postmaster General and other per-
5 sonal services in the office of the Postmaster General in
6 the District of Columbia, \$319,900.

7 SALARIES IN BUREAUS AND OFFICES

8 For personal services in the District of Columbia in
9 bureaus and offices of the Post Office Department in not to
10 exceed the following amounts, respectively:

11 Office of Budget and Administrative Planning,
12 \$50,650.

13 Office of the First Assistant Postmaster General,
14 \$940,000.

15 Office of the Second Assistant Postmaster General,
16 \$750,000.

17 Office of the Third Assistant Postmaster General,
18 \$1,148,000.

19 Office of the Fourth Assistant Postmaster General,
20 \$630,000.

21 Office of the Solicitor for the Post Office Department,
22 \$147,500.

23 Office of the chief inspector, \$368,000.

24 Office of the purchasing agent, \$67,800.

25 Bureau of Accounts, \$500,000.

1 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

2 For all necessary contingent and miscellaneous expenses
3 not otherwise provided for; including maintenance, repair,
4 and operation of two passenger automobiles; purchase and
5 exchange of lawbooks and books of reference; newspapers;
6 and travel expenses of the purchasing agent and of the
7 Solicitor and attorneys connected with his office, not exceed-
8 ing \$1,900; \$155,000.

9 For printing and binding for the Post Office Depart-
10 ment and Postal Service, \$1,825,000.

11 Appropriations hereinafter made for the field service of
12 the Post Office Department, except as otherwise provided,
13 shall not be expended for any of the purposes hereinbefore
14 provided for on account of the Post Office Department in the
15 District of Columbia: *Provided*, That the actual and neces-
16 sary expenses of officials and employees of the Post Office
17 Department and Postal Service, when traveling on official
18 business, may be paid from the appropriations for the service
19 in connection with which the travel is performed, and appro-
20 priations for the fiscal year 1947 shall be available
21 therefor: *Provided further*, That appropriations hereinafter
22 made, except such as are exclusively for payment of com-
23 pensation, shall be available for expenses in connection
24 with the examination of estimates for appropriations in

1 the field including per diem allowances in lieu of actual
2 expenses of subsistence.

3 FIELD SERVICE, POST OFFICE DEPARTMENT

4 OFFICE OF THE POSTMASTER GENERAL

5 Travel expenses, Postmaster General and Assistant
6 Postmasters General: For travel and miscellaneous expenses
7 in the Postal Service, offices of the Postmaster General and
8 Assistant Postmasters General, \$3,000.

9 Personal or property damage claims: To enable the
10 Postmaster General to pay claims for damages, occurring
11 during the fiscal year 1947, or in prior fiscal years,
12 to persons or property in accordance with the provisions
13 of the Deficiency Appropriation Act, approved June 16,
14 1921 (5 U. S. C. 392), as amended by the Act approved
15 June 22, 1934 (31 U. S. C. 224c), \$124,000.

16 Adjusted losses and contingencies: To pay to post-
17 masters, Navy mail clerks, and assistant Navy mail clerks
18 or credit them with the amount ascertained to have been
19 lost or destroyed during the fiscal year 1947, or prior fiscal
20 years, through unavoidable casualty resulting from no fault
21 or negligence on their part, as authorized by the Act ap-
22 proved March 17, 1882, as amended (39 U. S. C. 49),
23 \$55,000.

24 OFFICE OF CHIEF INSPECTOR

25 Salaries of inspectors: For salaries of fifteen inspectors

1 in charge of divisions and eight hundred inspectors, \$3,838,-
2 000.

3 Travel and miscellaneous expenses: For necessary travel
4 expenses of inspectors, inspectors in charge, the chief post-
5 office inspector, and the assistant chief post-office inspector,
6 including reimbursement of not to exceed 3 cents per mile for
7 official travel performed by them in privately owned auto-
8 mobiles within the limits of their official stations, and for the
9 travel expenses of four clerks performing stenographic and
10 clerical assistance to post-office inspectors in the investigation
11 of important fraud cases; for tests, exhibits, documents, pho-
12 tographs, office, and other necessary expenses incurred by
13 post-office inspectors in connection with their official investi-
14 gations, including necessary miscellaneous expenses of
15 division headquarters, and not to exceed \$500 for books of
16 reference needed in the operation of the Post Office Inspection
17 Service, \$960,000: *Provided*, That not exceeding \$24,500
18 of this sum shall be available for transfer by the Postmaster
19 General to other departments and independent establish-
20 ments for chemical and other investigations.

21 Clerks: For compensation of three hundred and eighty-
22 nine clerks in the Post Office Inspection Service, \$1,073,500.

23 Payment of rewards: For payment of rewards for the
24 detection, arrest, and conviction of post-office burglars, rob-
25 bers, highway mail robbers, and persons mailing or causing

1 to be mailed any bomb, infernal machine, or mechanical,
2 chemical, or other device or composition which may ignite,
3 or explode, \$55,000: *Provided*, That rewards may be paid
4 in the discretion of the Postmaster General, when an offender
5 of the classes mentioned was killed in the act of committing
6 the crime or in resisting lawful arrest: *Provided further*,
7 That no part of this sum shall be used to pay any rewards
8 at rates in excess of those specified in Post Office Depart-
9 ment Order 28673, dated July 28, 1945: *Provided further*,
10 That of the amount herein appropriated not to exceed
11 \$20,000 may be expended in the discretion of the Postmaster
12 General, for the purpose of securing information concerning
13 violations of the postal laws and for services and information
14 looking toward the apprehension of criminals.

15 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

16 Compensation to postmasters: For compensation to
17 postmasters, including compensation as postmaster to persons
18 who, pending the designation of an acting postmaster,
19 assume and properly perform the duties of postmaster in
20 the event of a vacancy in the office of postmaster of the
21 third or fourth class, and for allowances for rent, light,
22 fuel, and equipment to postmasters of the fourth class,
23 \$74,000,000.

24 Compensation to assistant postmasters: For compensa-

1 tion to assistant postmasters at first- and second-class post
2 offices, \$11,440,000.

3 Clerks, first- and second-class post offices: For compen-
4 sation to clerks and employees at first- and second-class post
5 offices, including auxiliary clerk hire at summer and winter
6 post offices, printers, mechanics, skilled laborers, watchmen,
7 messengers, mail handlers, and substitutes, \$391,870,000.

8 Contract station service: For contract station serv-
9 ice, \$3,100,000.

10 Separating mails: For separating mails at fourth-class
11 post offices, \$180,000.

12 Unusual conditions: For unusual conditions at post
13 offices, \$50,000.

14 Clerks, third-class post offices: For compensation to
15 clerks at third-class post offices, \$17,512,000.

16 Miscellaneous items, first- and second-class post offices:
17 For miscellaneous items necessary and incidental to the
18 operation and protection of post offices of the first and second
19 classes, and the business conducted in connection therewith,
20 not provided for in other appropriations, \$3,000,000.

21 Village delivery service: For village delivery service in
22 towns and villages having post offices of the second or third
23 class, and in communities adjacent to cities having city
24 delivery, \$273,400.

1 Detroit River service: For Detroit River postal service,
2 \$12,990.

3 Carfare and bicycle allowance: For carfare and bicycle
4 allowance, including special-delivery carfare, cost of trans-
5 porting carriers by privately owned automobiles to and from
6 their routes, at rates not exceeding regular streetcar or bus
7 fare, and purchase, maintenance, and exchange of bicycles,
8 \$1,575,000.

9 City delivery carriers: For pay of letter carriers, City
10 Delivery Service, and United States Official Mail and Mes-
11 senger Service, \$217,000,000.

12 Special-delivery compensation and fees: For compensa-
13 tion and fees to special-delivery messengers, \$12,500,000.

14 Rural Delivery Service: For pay of rural carriers,
15 auxiliary carriers, substitutes for rural carriers on annual and
16 sick leave; clerks in charge of rural stations, tolls and ferriage,
17 and necessary miscellaneous and incidental expenses of the
18 Rural Delivery Service, \$114,500,000, of which not less than
19 \$200,000 shall be available for extensions and new service.

20 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

21 Star-route service: For inland transportation by star
22 routes (excepting service in Alaska), including temporary
23 service to newly established offices, \$20,700,000.

24 Star Route and Air Mail Service, Alaska: For inland

1 transportation by Star Route and Air Mail Service in Alaska,
2 \$375,000.

3 Powerboat service: For inland transportation by steam-
4 boat or other powerboat routes, including ship, steamboat,
5 and way letters, \$1,600,000.

6 Railroad transportation and mail messenger service: For
7 inland transportation by railroad routes and for mail mes-
8 senger service, \$137,000,000: *Provided*, That separate ac-
9 counts be kept of the amount expended for mail messenger
10 service.

11 Railway Mail Service: For fifteen division superinten-
12 dents, fifteen assistant division superintendents, two assistant
13 superintendents at large, one hundred and twenty chief
14 clerks, one hundred and twenty assistant chief clerks, and
15 other employees in the Railway Mail Service, \$85,500,000.

16 Railway postal clerks, travel allowance: For travel
17 allowance to railway postal clerks and substitute railway
18 postal clerks, \$4,800,000.

19 Railway Mail Service, travel expenses: For actual
20 and necessary travel expenses, general superintendent and
21 assistant general superintendent, division superintendents,
22 assistant division superintendents, assistant superintendents,
23 chief clerks, and assistant chief clerks, Railway Mail Service,
24 and railway postal clerks, \$58,000.

1 Railway Mail Service, miscellaneous expenses: For
2 all necessary miscellaneous expenses of the Railway Mail
3 Service not provided for in other appropriations, \$415,000.

4 Electric-car service: For electric-car service, \$235,000.

5 Foreign mail transportation: For transportation of for-
6 eign mails, except by aircraft, \$4,000,000: *Provided*, That
7 the Postmaster General is authorized to spend such sums
8 as may be necessary, not to exceed \$72,000, to cover the
9 cost to the United States for maintaining sea post service
10 on ocean steamships conveying mails to and from the
11 United States.

12 Balances due foreign countries: The unexpended
13 balances of the appropriations, "Balances due foreign
14 countries", for the fiscal years 1944, 1945, and 1946 are
15 hereby made available for the fiscal year 1947 and prior
16 years.

17 Indemnities, international mail: For payment of limited
18 indemnity for the injury or loss of international mail in
19 accordance with convention, treaty, or agreement stipula-
20 tions, fiscal year 1947 and prior years, \$8,000: *Pro-*
21 *vided*, That the unexpended balances of the appropria-
22 tions, "Indemnities, international mail," for the fiscal
23 years 1945 and 1946, are hereby made available for the fiscal
24 year 1947 and prior years.

25 Foreign air-mail transportation: For transportation of

1 foreign mails by aircraft, as authorized by law, including
2 the transportation of mail by aircraft between Seattle, Wash-
3 ington, and Fairbanks, Alaska, via intermediate points,
4 \$5,000,000.

5 Domestic Air Mail Service: For the inland transpor-
6 tation of mail by aircraft, as authorized by law, and for
7 all necessary miscellaneous and travel expenses, and including
8 not to exceed \$106,000 for supervisory officials and clerks at
9 field headquarters, \$49,000,000.

10 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

11 Manufacture and distribution of stamps and stamped
12 paper: For manufacture and distribution of stamps and
13 stamped paper, and not to exceed \$27,000 for compensation
14 to employees of the United States Stamped Envelope Agency,
15 and for all necessary miscellaneous expenses of said agency,
16 \$6,500,000.

17 Indemnities, domestic mail: For payment of indemnity
18 for the injury or loss of domestic registered, insured and
19 collect-on-delivery mail, and for failure to remit collect-on-
20 delivery charges, fiscal year 1947 and prior years \$2,-
21 200,000.

22 Unpaid money orders more than one year old: For
23 payment of domestic money orders after one year from the
24 last day of the month of issue of such orders, \$1,300,000.

1 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

2 Post office stationery, equipment, and supplies: For the
3 purchase, manufacture, repair, and installation of all neces-
4 sary miscellaneous equipment and supplies for the Postal
5 Service not provided for in other appropriations; for inci-
6 dental expenses of the Postal Service not provided for in
7 other appropriations; accident prevention; for the purchase of
8 atlases and geographical and technical works not to exceed
9 \$1,500; and not exceeding \$112,250 for personal services,
10 and not to exceed \$42,200 for salaries of thirteen traveling
11 mechanics; for rental of canceling machines and motors,
12 mechanical mail-handling apparatus, and other labor-saving
13 devices, and for travel expenses, \$6,000,000 of which \$1,-
14 000,000 shall be available exclusively for the purchase of
15 omnidenominational postage meters, stamp vending ma-
16 chines, coin-operated postage meters, and other modern
17 mechanical postal devices: *Provided*, That the Postmaster
18 General may authorize the sale to the public of post-route
19 maps and rural-delivery maps or blueprints at the cost of
20 printing and 10 per centum thereof added.

21 Equipment shops, Washington, District of Columbia:
22 For the purchase, manufacture, and repair of mail bags and
23 other equipment for the postal service not provided for in
24 other appropriations; accident prevention; for all necessary
25 and miscellaneous expenses incident to the operation, care,

1 maintenance, and protection of the mail equipment shops
2 building, grounds, and equipment, \$2,575,000; of which not
3 to exceed \$869,500 may be expended for personal services
4 in the District of Columbia: *Provided*, That out of this
5 appropriation the Postmaster General is authorized to use
6 as much of the sum, not exceeding \$15,000, as may be
7 deemed necessary for the purchase of material and the manu-
8 facture in the equipment shops of such small quantities of
9 distinctive equipments as may be required by other execu-
10 tive departments; and for service in Alaska, Puerto Rico,
11 Philippine Islands, Hawaii, or other island possessions.

12 Rent, light, power, fuel, and water: For rent, light,
13 power, fuel, and water, for first-, second-, and third-class
14 post offices, and the cost of advertising for lease proposals
15 for such offices, \$12,525,000.

16 Pneumatic-tube service, New York City, and Boston:
17 For rental of not exceeding twenty-eight miles of pneu-
18 matic tubes, hire of labor, communication service, electric
19 power, and other expenses for transmission of mail in the
20 city of New York including the Borough of Brooklyn;
21 and for rental of not exceeding two miles of pneumatic
22 tubes, not including labor and power in operating the
23 same, for the transmission of mail in the city of Boston,
24 Massachusetts, \$608,700: *Provided*, That the Acts of April
25 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C.

1 423), relating to contracts for the transmission of mail by
2 pneumatic tubes or other similar devices shall not be ap-
3 plicable to the city of New York and the provisions not
4 inconsistent herewith of the Acts of April 21, 1902, and
5 May 27, 1908 (39 U. S. C. 423), shall be applicable to the
6 city of Boston.

7 Vehicle service: For the hire, purchase, maintenance,
8 repair, and operation of vehicles for use in the collection,
9 transportation, delivery, and supervision of the mail, includ-
10 ing the repair of vehicles owned by, or under the control
11 of, units of the National Guard and departments and agen-
12 cies of the Federal Government where repairs are made
13 necessary because of utilization of such vehicles in the
14 Postal Service; the rental of garage facilities; accident pre-
15 vention; and including compensation to necessary employees
16 in the Motor Vehicle Service, \$33,650,000 of which
17 \$3,500,000 shall be available immediately and exclu-
18 sively for the purchase of trucks: *Provided*, That the
19 Postmaster General may, in his disbursement of this
20 appropriation, apply a part thereof to the leasing of
21 quarters for the housing of Government-owned motor
22 vehicles at a reasonable annual rental for a term not
23 exceeding ten years: *Provided further*, That the Postmaster
24 General may purchase and maintain from this appropriation
25 such tractors and trailer trucks as may be required in the

1 operation of the vehicle service: *Provided further*, That no
2 part of this appropriation shall be expended for maintenance
3 or repair of motor-propelled passenger-carrying vehicles for
4 use in connection with the administrative work of the Post
5 Office Department in the District of Columbia.

6 Transportation of equipment and supplies: For the trans-
7 portation and delivery of equipment, materials, and supplies
8 for the Post Office Department and Postal Service by freight,
9 express, or motor transportation, and other incidental ex-
10 penses, \$520,000.

11 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

12 Operating force: For compensation to employees in the
13 custodial service, \$37,000,000.

14 Operating supplies, public buildings: For all necessary
15 miscellaneous articles, services and supplies, including trans-
16 portation thereof, required for the operation of completed and
17 occupied public buildings and grounds operated by the Post
18 Office Department, accident prevention, \$6,650,000: *Pro-*
19 *vided*, That the foregoing appropriation shall not be avail-
20 able for personal services except for work done by contract,
21 or for temporary job labor under exigency not exceeding
22 at one time the sum of \$250 at any one building: *Provided*
23 *further*, That the Postmaster General is authorized to con-
24 tract for telephone service in public buildings under his ad-
25 ministration by means of telephone switchboards or equivalent

1 telephone switching equipment jointly serving in each case
 2 two or more governmental activities, where he determines
 3 that joint service is economical and in the interest of the
 4 Government, and to secure reimbursement for the cost of such
 5 joint service from available appropriations for telephone
 6 expenses of the bureaus and offices receiving the same.

7 Furniture, carpets, and safes, public buildings: For the
 8 procurement, including transportation, of furniture, carpets,
 9 safes, safe and vault protective devices, and repairs of same,
 10 for use in public buildings which are now, or may hereafter
 11 be, operated by the Post Office Department, \$818,000:
 12 *Provided*, That excepting expenditures for labor for or in-
 13 cidental to the moving of equipment from or into public
 14 buildings, the foregoing appropriation shall not be used for
 15 personal services except for work done under contract or for
 16 temporary job labor under exigency and not exceeding at
 17 one time the sum of \$100 at any one building: *Provided*
 18 *further*, That all furniture now owned by the United States
 19 in other public buildings or in buildings rented by the United
 20 States shall be used, so far as practicable, whether or not it
 21 corresponds with the present regulation plan of furniture.

22 Deficiency in postal revenues: If the revenues of the
 23 Post Office Department shall be insufficient to meet the
 24 appropriations made under title II of this Act, a sum equal
 25 to such deficiency in the revenues of such Department is

1 hereby appropriated, to be paid out of any money in the
 2 Treasury not otherwise appropriated, to supply such defi-
 3 ciency in the revenues of the Post Office Department for the
 4 fiscal year ending June 30, 1947, and the sum needed
 5 may be advanced to the Post Office Department upon
 6 requisition of the Postmaster General.

7 This title may be cited as the "Post Office Department
 8 Appropriation Act, 1947".

9 TITLE III—GENERAL PROVISIONS

10 SEC. 301. No part of any appropriation contained in
 11 this Act shall be used to pay the salary or wages of any
 12 person who advocates, or who is a member of an organ-
 13 ization that advocates, the overthrow of the Government of
 14 the United States by force or violence: *Provided*, That for
 15 the purposes hereof an affidavit shall be considered prima
 16 facie evidence that the person making the affidavit does
 17 not advocate, and is not a member of an organization that
 18 advocates, the overthrow of the Government of the United
 19 States by force or violence: *Provided further*, That any
 20 person who advocates, or who is a member of an organ-
 21 ization that advocates, the overthrow of the Government
 22 of the United States by force or violence and accepts em-
 23 ployment, the salary or wages for which are paid from
 24 any appropriation contained in this Act, shall be guilty
 25 of a felony and, upon conviction, shall be fined not more

1 than \$1,000 or imprisoned for not more than one year,
2 or both: *Provided further*, That the above penalty clause
3 shall be in addition to, and not in substitution for, any
4 other provisions of existing law.

5 SEC. 302. This Act may be cited as the "Treasury
6 and Post Office Departments Appropriation Act, 1947".

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79TH CONGRESS
2^D SESSION

H. R. 5452

[Report No. 1554]

A BILL

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1947, and for other pur-
poses.

By Mr. LUDLOW

FEBRUARY 12, 1946

Committed to the Committee of the Whole House on
the State of the Union and ordered to be printed

HOUSE

15. TREASURY-POST OFFICE APPROPRIATION BILL, 1947. Began debate on this bill, H.R. 5452 (pp. 1305-26).
During the debate Rep. Ludlow, Ind., expressed doubt as to whether the penalty-mail law is accomplishing its purpose (p. 1306) and stated that adjustments in the tariff schedules on sugar and wool accounted for part of the drop in customs receipts (p. 1309); Rep. Taber, N.Y., criticized the Treasury Department's statistical and informational work (pp. 1315-7); Rep. Chipperfield, Ill., opposed enactment of H.R. 4982, to provide for the interchange of persons, knowledge, and skills between the U.S. and other countries (p. 1314); Rep. Jensen, Iowa, criticized the Wyatt housing plan (pp. 1310-4); and Rep. Rees, Kans., criticized the present method of reporting appropriation bills as not giving the Members sufficient time for study of the bills and urged reduction in Government employees as an economy measure (pp. 1319-20).

BILLS INTRODUCED

16. PUBLIC LANDS. S. 1831, by Sen. McCarran, Nev., to cancel authority under the act of June 23, 1936, for the conveyance of certain lands owned by the U.S. in Los Angeles, Calif. To Public Lands and Surveys Committee. (p. 1287.)
S. 1832, by Sen. McCarran, Nev., to repeal an act which withdrew certain public lands of the U.S. in Calif., from settlement. To Public Lands and Surveys Committee. (p. 1287.)
H.R. 5467, by Rep. Engle, Calif., to cancel authority under the act of June 23, 1936, for the conveyance of certain lands owned by the U.S. in Los Angeles, Calif. To Public Lands Committee. (p. 1329.)
17. EDUCATION. H.R. 5465, by Rep. Savage, Wash., to aid the States in establishing and maintaining a scholarship and fellowship program in the colleges and universities. To Education Committee. (p. 1329.)
18. PULASKI'S MEMORIAL DAY. H.J.Res. 317, authorizing the President to proclaim Oct. 11, 1946, General Pulaski's Memorial Day. To Judiciary Committee. (p. 1329.)

ITEMS IN APPENDIX

19. GRAZING; PUBLIC LANDS. Sen. Carville, Nev., inserted a Nev. Grazing Board's letter and statement criticizing Government policy on grazing and the administration of public lands (including forest lands) (pp. A762-3).
20. FORESTRY. Rep. Anderson, Calif., inserted Governor Warren's (Calif.) wire opposing further export of lumber during the housing shortage (p. A757).
21. HOUSING. Speech in the House by Rep. Patman, Tex., urging that price ceilings be placed on existing houses (p. A751).
22. CLOTHING SHORTAGE. Extension of remarks of Rep. Hook, Mich., urging the immediate release of clothing already manufactured and including newspaper articles on the subject (p. A764).
23. FOREIGN RELIEF. Sen. Eastland, Miss., inserted a Central European Rehabilitation Assn. chairman's address urging continued relief for the distressed European countries (pp. A751-2).

COMMITTEE HEARINGS Released by G.P.O.

24. TREASURY-POST OFFICE APPROPRIATION BILL, H.R. 5452. House Appropriations Committee.
25. URGENT DEFICIENCY APPROPRIATION BILL, 1946, H.R. 5458. House Appropriations Committee.
26. TEXTILES. Pursuant to H. Res. 88. Pt. 1. (supplement), to investigate executive agencies. Shortage of textile materials. House Committee to Investigate Executive Agencies.

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COMMITTEE-HEARINGS ANNOUNCEMENTS for Feb. 14: S. Education and Labor, 65¢ wage bill (ex.); H. Appropriations, deficiency (ex.); H. Civil Service, pay bill (ex.); H. Expenditures in the Executive Departments, Gen. Gregory on Surplus Property Act; H. Irrigation, sale and lease of power privileges; H. Public Buildings and Grounds, powers of FWA on site acquisition, building construction, etc.; H. Postwar Economic Policy and Planning, no subject given (ex.); H. Investigate Food Shortages, dairy hearings.

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For supplemental information and copies of legislative material referred to call Ext. 4654, or send to Room 113 A. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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HISTORICAL LEGISLATIVE-REFERENCE SERVICE:

Legislative-history compilations have been prepared on some of the more important legislation affecting agriculture. These histories consist of the various prints of bills, hearings, committee reports, debates, and laws, together with summaries of the legislation. Copies of bills and other legislative material for the last few years, including a set of the Congressional Record since 1900, are also on file in connection with this legislative-reference service. These services are performed by a member of the Library staff located in the quarters of the Legislative Reports and Service Section.

All of this material is available for reference and lending purposes by calling Ext. 4654, or sending to Room 113 Administration Building.

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The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, at this time I desire to address my remarks to the three gentlemen from Washington [Mr. DE LACY, Mr. COFFEE, and Mr. SAVAGE].

I want to warn them that their attacks on the white people of the South are not doing them any good.

I want to remind them that in the years past and gone the State of Washington reached out its hand and asked for help at the hands of the white people of the Southern States, and got it. The great Columbia River development got its support largely from men from the Southern States, including the State of Mississippi and the State of Virginia. I was one of them. There never has been a more enthusiastic, consistent supporter of the Columbia River development than I have been at all times.

But I am tired of hearing these men get on this floor and attack the white people of the South, the best friends the people of the Columbia River Basin ever had in Congress. You are doing your State more harm than any other three men I have heard talk on the floor of this House. I implore you to get back "on the beam" and stop these attacks on the people who have helped you in the past and who will have to help you in the future—if you get any help.

PERMISSION TO ADDRESS THE HOUSE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent that after the disposition of business on the Speaker's desk and the conclusion of special orders heretofore entered, I be permitted to address the House for 15 minutes today.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. DE LACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. DE LACY. Mr. Speaker and Members of the House, I always listen to the gentleman from Mississippi, not because I admire his choice of epithets or because I like the content of his speeches, but because he is clever. I think the State of Washington and its Representatives will contrive somehow to take care of themselves. Our delegation here is united in its belief that everybody in this country deserves a fair and equal break, regardless of race, creed, or color. Our actions in support of that great American principle will speak for themselves and for us.

PERMISSION TO ADDRESS THE HOUSE

Mr. SAVAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. SAVAGE. Mr. Speaker, it seems to me pretty good to be so popular here this morning. I will say to the gentleman from Virginia I am one of the 500,000 constituents of his, but I have no vote there just like a lot of others; but I vote in the State of Washington where voting is free, I do not pay a poll tax there. I am sorry if I have accidentally referred to a letter from the editorial page as an editorial. I might say to the gentleman from Mississippi that I do not attack the white people of the South nor do I attack the colored people of the South. To me America is 140,000,000 people trying to live and cooperate together. I like all people. I like to cooperate and associate with them all. Whatever help the gentleman gives us in the way of public power, and so on, which he refers to, I appreciate very much. Now, when I make attacks, those attacks are on certain principles or some action that has taken place, or is taking place and I attack no people or personalities. I like the 140,000,000 people we have in America and I am going to cooperate with them to make it the best possible America that we can. I am working for the highest possible standard of living for all the people of the United States without regard to race, creed, color, or what section of the country they live in. I like the South and the people that live there. In fact some of those who live in the South are my own relatives.

I expect to make more savage attacks but they will be on issues and not on personalities.

EXTENSION OF REMARKS

Mr. ANGELL asked and was given permission to extend his remarks and include a short editorial from the Portland Oregonian on the forty-ninth State.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1947

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate may run throughout the day, the time to be equally divided and controlled by the gentleman from New York [Mr. TABER] and myself, and that we shall read the first paragraph of the bill before the Committee rises this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Indiana.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the con-

sideration of the bill H. R. 5452, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from Indiana [Mr. LUDLOW] is recognized.

Mr. LUDLOW. Mr. Chairman, I yield myself 40 minutes.

Mr. Chairman, one fact which we should bear distinctly in mind in making appropriations for the Treasury and Post Office Departments is that these are preeminently service establishments. While there are some items for supplies and equipment involved, it is true in the main that the measure of the appropriations in both of the Departments is the need of supplying funds for vital services.

While your subcommittee is in thorough accord with the policy of reducing expenditures to the lowest possible minimum, this is a bill that does not lend itself to reductions by any arbitrary rule of thumb. Every item in it had to be considered with meticulous care to see that not one unnecessary dollar was appropriated but always with the thought that we should, and must, supply all of the funds required to perform essential services. Our task was delicate and difficult. The postal service touches intimately every person in the United States and its possessions and its arms reach all around the world. The Treasury Department is scarcely less embracing in its ramifications and operations. The mails must be moved. Personnel must be provided to move them. Treasury checks must be processed in tremendous volume. Taxes must be collected and the Internal Revenue Bureau must be provided an army of personnel to collect them, else the revenues will suffer. Bonds must be sold to meet the continued heavy demands of our national financing; and so forth. Our problem was to try to meet these needs adequately and at the same time to avoid appropriating \$1 more than the actual requirements.

LONG AND GRUELING HEARINGS

To the accomplishment of this task your subcommittee devoted its best efforts, diligently and conscientiously, over a long period of time. We began our hearings on November 28 and closed them on January 18. To the members of the subcommittee, of which I have the honor to be chairman—Mr. O'NEAL, Mr. KOPPLEMANN, Mr. D'ALESSANDRO, Mr. TABER, Mr. KEEFE, and Mr. CANFIELD—I wish to pay my humble tribute of praise for the notable contribution they rendered in the preparation of this bill. I am proud to be permitted to cooperate with these fine men in the service of our country. All of us worked with a unity of purpose to bring out a bill under which the departments can operate efficiently and which at the same time will be fair and just to the taxpayers. In our efforts we had the assistance of a clerk who is gifted with sound judgment and equipped with a most comprehensive knowledge of the Government,

Mr. George Harvey. It is my opinion that no subcommittee ever had a better clerk than Mr. Harvey.

POSTAL SERVICE BACK IN THE RED

In approaching our task of framing this bill we found a situation basically different from that which has obtained for a long time. Heretofore, in recent years we have been appropriating in the light of a rising tide of volume and revenues in the postal service and a postal surplus and a rising tide of volume in the Treasury Department. Now the picture changes, and for the first time in years we encounter the factor of diminishing volume and revenues in the postal establishment and diminishing volume in the Treasury Department except in the Internal Revenue Service and the Division of Disbursement. Suddenly this year the postal surplus has vanished and the postal service has switched from the black to the red. How much it is in the red no one knows.

We have rightly, I think, taken cognizance of this reversal of trends in preparing the bill now before you. We have reduced estimates all along the line to conform to anticipated reductions in the work load. We have not had very definite landmarks to guide us but we have done the best we could to meet this changed conditions. I ask the officials who may think their appropriations have been cut too deeply to recognize, as we have tried to do, that the country is staggering under a stupendous debt and that it wants appropriations held to the lowest possible minimum and I assure those in charge of vital operations that if the amounts fixed in the bill should prove in some instances to be actually lower than is necessary to perform essential services they may have their day before the deficiencies subcommittee. We believe, however, that with careful administration the two departments can get along on the amounts we have allowed.

POSTAL VOLUME DROPS

The general decline in the postal business is so marked as to be reflected in the work loads of the various offices of that department. The decline first became noticeable last September, when postal revenues fell 6.50 percent below revenues for September 1944, and the decline has been steady ever since, the percentages of decrease of revenues in subsequent months being as follows: October, 9.11; November, 3.10; December, 7.10, and January is proving to be about the same as December. When the Post Office Department officials were before our subcommittee in December they estimated that postal revenues in the fiscal year 1946 would be \$1,300,000,000. On the basis of the full 6 months' experience the Department has now revised its estimate of revenues for the fiscal year downward to \$1,248,000,000, or a reduction of \$52,000,000 below former estimates. It is impossible, of course, to foretell what the actual volume of mail in 1947 will be, but all information now available is indicative of a lesser volume of mail than was used as a basis for the estimates submitted in the Budget. On account of similar reduction in volume and a slow-

ing down of operations we found it possible to make heavy cuts in the Treasury Department, especially in the appropriations for Foreign Funds Control, the handling of penalty mail, administering the public debt, and the Office of United States Treasurer.

HOW THE PRUNING KNIFE WAS APPLIED

There are 107 appropriation titles in this bill. In no single instance did our subcommittee raise anyone of the 107 estimates and we cut 81 of them. Only 26 titles remain untouched.

The total of the appropriations carried in this bill is \$1,604,556,940, a reduction of \$64,395,020 below the 1946 appropriations and \$29,660,250 below the 1947 estimates.

The Treasury Department appropriations in the bill total \$325,495,500, a reduction of \$39,403,460 below the 1946 appropriations and \$10,482,500 below the 1947 estimates.

The Post Office Department appropriations in the bill total \$1,279,061,440, a reduction of \$24,991,560 below the 1946 appropriations and \$19,177,750 below the 1947 estimates.

NONPOSTAL CREDITS

Our subcommittee went rather exhaustively into the matter of nonpostal credits, which relate to services performed by the Post Office Department for other branches and agencies of the Government for which postage is not paid. We inquired particularly into the operation of Public Law 364, the penalty-mail statute.

Mr. CHURCH. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Illinois.

Mr. CHURCH. The gentleman spoke about the hearings on penalty mail and stated that the hearings contributed nothing. I have been receiving complaints that the Penalty Mail Division and the auditing of it, the reports of it, the cost of it, are not accurate; they do not state the full cost of carrying penalty mail. Is that part of the confusion to which the gentleman refers?

Mr. LUDLOW. It is. I will go into that a little later.

Mr. CHURCH. I would appreciate it if the gentleman would.

Mr. LUDLOW. Mr. Chairman, this is the law which requires the various departments and agencies using penalty mail to file reports with the Post Office Department. The War Department, Navy Department, and Post Office Department were specifically exempted from the law; all others come under its provisions. It was felt when the law was enacted that it would exercise a restraining influence that would reduce the cost of penalty mailings.

I think it is a fair statement to say that the hearing on penalty mail contributed nothing except to add to the bewilderment and mental obfuscation of members of the subcommittee. J. F. Gartland, director of budget and administrative planning, testified that in the fiscal year 1945 there was a decrease from 2,195,000,000 to 1,908,000,000 in pieces of penalty mailings, or a reduction of 287,000,000 pieces, and that at an average handling cost of 1½ cents

per piece the resultant saving in money would appear to be \$4,300,000. But it developed that in making his computation he had included the War, Navy, and Post Office Departments, which are exempted by law, and this gave rise to a question as to the accuracy of his estimate of the operations of the penalty mail law. A statement subsequently submitted to the subcommittee by Mr. Gartland, found on page 61 of the hearings, shows estimated postal revenue lost by penalty mailings to be \$18,163,589 less in fiscal year 1945 than in fiscal year 1944.

On the other hand, there was a good deal of testimony, rather intangible but, nevertheless, impressive, tending to show that the penalty mail law is piling up administrative costs in the various bureaus and agencies which may more than offset the savings from reduced mailings. This was hinted by Mr. Gartland in his testimony, page 4 of the hearings, when he said:

We know that some departments do not favor the law. They feel that it is costing them a great deal of money to carry out its provisions.

Mr. GRANGER. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Utah.

Mr. GRANGER. I notice under the rule making this legislation in order a rule was adopted waiving all points of order which effects what, I think, is a repeal of the Silver Act. It seems to me this great Committee on Appropriations is going a long way to take unto itself the responsibility of repealing an act that has been in effect in the Congress for a good number of years. It is a back-door approach to destroying the great silver industry of this country, and it seems to me that the Committee on Appropriations should hearken to the words expressed by the President of the United States in attaching riders onto appropriation bills that have the effect of repealing other laws.

Mr. LUDLOW. I am glad to have the gentleman's contribution. I expect to discuss that a little later.

On pages 611 and 612 of the hearings are found illuminating excerpts from letters received from various agencies relative to the reasons for a reduction in penalty mail, all of which contribute to show that the influence of the penalty-mail law on the volume of penalty mail was virtually nugatory and that it possibly increased rather than reduced the cost of government. After reviewing the conflicting testimony I think our subcommittee was in doubt as to whether the penalty-mail law is accomplishing anything worth-while and whether in the public interest it should not either be strengthened or repealed. Anyhow, that is a matter for the consideration of the legislative Committee on Post Office and Post Roads and does not come under the purview of the Appropriations Committee.

THE CONGRESSIONAL MAIL

In reference to franked mail—the mail of Members of Congress—Mr. Gartland testified as follows—page 62 of the hearings:

The amount of mail franked by Members of Congress is negligible. In 1944 it amounted to but 23,969,664 pieces and from preliminary figures there was not an appreciable difference in 1945. There has been less franked mail sent out in the last 2 or 3 years than there has been in any but 2 of the 17 years preceding.

In a table found on page 61 of the hearings the Department estimated that if postage had been paid on the franked mail sent out by Members of Congress in the fiscal year 1945, the revenue accruing therefrom would have been \$1,080,134 as against \$1,069,495 in 1944. As 1946 is a campaign year a slight rise in franked mail may be expected this year. It will be somewhat comforting for Members of Congress to know that the franked mail cost in 1945 was \$76,088 less than in 1943, and \$137,425 less than in 1940, indicating that Members are showing a commendable restraint in the volume of their free mailings.

POSTMASTER GENERAL HAS AUTHORITY TO KEEP MAILS MOVING

While our subcommittee has made drastic cuts in postal estimates as an incentive to economy this does not mean that our cuts will in any way or degree hamper the postal establishment or be a deterrent to the achievement of that perfection of service which the public has a right to expect. As the able clerk of our subcommittee so truthfully says in the report on this bill:

The Budget for the postal service presents a problem to the Committee on Appropriations and to the Congress generally which is unlike that involved in the consideration of other Budget items. The factors making up the largest elements of cost are predetermined by statute and by other authority. The Postmaster General has authority—as he must have in order to be able to move the mail whenever and wherever it is delivered to the post offices—to appoint certain types of employees in such numbers, regardless of amounts of appropriations, as are required to render the service which the Department is bound under law to render. The rates charged by the railroads are fixed and cannot be curtailed by the simple process of cutting appropriations. The rates of compensation to be paid employees are fixed by law. The rates for air-mail transportation are under the jurisdiction of the Civil Aeronautics Board and even the postal officials have little voice in their costs for that service.

So, in arriving at amounts to be appropriated for the postal service, it is not a question of how much the taxpayers of the Nation can afford to spend or, as a matter of policy, ought to spend on a particular activity as is the case with other agencies of the Government. It is purely a matter of estimating as accurately as possible what the mail load will be and how much—within the limits of the controlling statutes—it will cost to move it. Whenever the amount appropriated is found to be insufficient there is no alternative but to supply the additional amount required through a deficiency appropriation.

MAJOR REDUCTIONS

Acting under this philosophy and with complete recognition of this understanding our subcommittee reduced the estimate for the salaries of postmasters \$1,000,000, clerks at first- and second-class post offices \$3,000,000, carriers \$1,300,000, railway mail transportation \$1,000,000, and a number of other items in proportion, believing that our cuts

are justified by the marked downward trend in postal business. If we are wrong and postal business resumes an upward trend the Postmaster General will be entirely at liberty at all times to provide whatever force of clerks and carriers and to buy whatever railroad space and to buy whatever railroad space may be necessary to handle the mails and then come to Congress with deficiency estimates for the additional amounts that may be needed.

To the Postmaster General we gave substantially the amount requested by the Budget. His office is the focal point of postal administration and he needs and is entitled to a strong and capable force. We allowed the Second Assistant Postmaster General three additional employees on account of the international postal service and 13 on account of air mail. These two services are certain to expand despite the marked decrease in postal business and additional personnel is required on that account. We have provided for a far-reaching step in sound postal administration by allowing the Bureau of Accounts \$85,200 to complete the retirement record of employees in the postal service. This is a necessary job that has been too long deferred. It is the hope of our subcommittee that by the end of the fiscal year 1947, all postal retirement records will be current and that it will be possible to maintain them on a current basis thereafter. Whenever an employee makes an application for retirement it is necessary to check his service record and the administration of the law has too often been delayed and handicapped by the imperfect records.

FIVE ADDITIONAL INSPECTORS

Inspectors are proverbially known as "the eyes and the ears of the Postmaster General" and during the 16 years I have been a member of the Appropriations Committee, I do not remember a year when there have not been insistent appeals to augment the inspection force. The field of service of inspectors appears to be about as broad as all outdoors and all postal authorities agree that efficient administration depends on a large, well-organized inspection department. For one thing, inspectors are supposed to inspect post offices at least once a year, but this program, so necessary to check on improper practices, embezzlements, and so forth, has fallen down miserably on account of a lack of manpower.

This year the Department asked the Budget Bureau for 80 additional inspectors. The Budget Bureau approved 40. There are currently 795 inspectors, in addition to 15 inspectors in charge. Our subcommittee is loathe to approve accretions to the high-salaried permanent personnel of the Government, except for the most substantial reasons. It occurred to us also that the inspectors who have been assigned in connection with military operations will now be available to return to their regular work, so we decided to allow 5 additional inspectors, increasing the force to 800. We established as a condition that the cost of these five inspectors, about \$20,000 for the first year, shall be absorbed from the

appropriation of \$3,898,000 which we allow the inspection service.

COMPENSATION OF POSTMASTERS

The amount which we recommend for compensation of postmasters, \$74,000,000, is \$1,000,000 less than the Budget estimate and \$2,180,533 over the amount appropriated for 1946, plus the cost of new pay legislation. The salaries of postmasters are based on the receipts of their offices and as the trend of postal business and revenues is distinctly downward we believe the amount we have allowed will cover the bill. If it does not, no harm will be done. The salaries are statutory and must be paid and the amount of the appropriation in this bill does not in any way affect the salary of any postmaster.

ASSISTANT POSTMASTERS DISAPPROVED

The Budget estimated the salaries of assistant postmasters at \$12,011,000 and we reduced the amount \$571,000 by disallowing a proposal of the Post Office Department for the appointment of 200 additional assistant postmasters. There are 4,521 post offices of a type that makes them eligible for assistant postmasters and the Department has long sought to have every eligible post office provided with an assistant postmaster, but our subcommittee has constantly taken the position that most of these post offices can get along very well without assistant postmasters and that appointments to that position should only be made where there is a demonstrable need. The law is so phrased as to permit the appointment of assistant postmasters at all first- and second-class post offices, but it is not mandatory and we believe that no real need for assistant postmasters exists at many of the smaller offices.

CITY DELIVERY TO BE RESTORED

During the war city-delivery service necessarily was curtailed in many areas. Particularly was this true in the residential sections of many cities. Where there had been two deliveries a day, the service was reduced to one delivery a day. The Department intends to restore this suspended service as rapidly as the manpower situation will permit and the appropriation we have allowed will not interfere with this program of service restoration.

RURAL DELIVERY

For rural-delivery service we approved \$114,500,000 which, while \$500,000 less than the Budget estimate, is ample, in our opinion, to take care of all of the needs of that service in view of the anticipated decrease in the cost of substitutes and in the allowances for heavy duty and other items resulting from decreased postal volume. We have protected the future expansion of this service by carrying a limitation on the appropriation which reads:

Of which not less than \$200,000 shall be available for extensions and new service.

As a matter of fact the Department officials advised us that they have set up as their objective the following program of expansion in 1947.

For extensions of existing service, \$205,525; for new service, \$225,000; total, \$430,525.

There are now 32,106 rural routes, well distributed over the entire country. Consolidations have reduced the number of routes from a peak of 45,315 in 1927. C. B. Uttley, Deputy First Assistant Postmaster General, in his testimony before our subcommittee indicated that in his opinion the process of consolidation has gone entirely too far. He said:

A lot of these long routes have become so heavy in patronage that we have got to break them up and establish new routes, and we have a number of investigations pending right now.

VILLAGE DELIVERY

We approved the full Budget estimate of \$273,400 for village delivery, which will provide for operating the existing service and for some extensions but for no new services. The last village-delivery service in continental United States was established in 1934. One was established a few months ago in Puerto Rico on account of peculiar conditions existing there, but the Department does not contemplate the establishment of any new village deliveries within the continental boundaries of this country. C. B. Uttley, Deputy First Assistant Postmaster General, testified that the Department has been influenced to take that attitude because of resentment not only of the village carriers but of the public in support of the carriers, and he added:

The village delivery carriers are working just as hard or harder than the city delivery carriers are working for much less money. The city delivery carriers start from \$1,700 and they can go up to \$3,000 a year, and the village carriers start from \$1,200 and they can go only to \$1,700.

When the receipts of a village post office reach \$10,000 it becomes eligible for city delivery. Ninety-one village deliveries will be transformed this year to city deliveries, which will leave only 159 village deliveries in the entire country. The evolution of this service indicates that the time may not be far distant when village delivery will become extinct.

FOREIGN MAIL

For foreign mail transportation by surface and foreign air mail transportation we have allowed what can be described at best as token appropriations of \$4,000,000 and \$5,000,000 respectively. Our foreign mail service to many parts of the world was so badly disorganized and disrupted by the war that more progress must be made in unraveling the tangled skein of reconstruction before we shall have definite bearings for appropriation purposes. Shipping stringencies entering into the transportation of mail by boats promise to last a long time. For the current fiscal year the appropriation for transportation of foreign mail by boats was only \$400,000. To provide the necessary financial needs for restoration of the service as rapidly as possible we have allowed 10 times that amount, or \$4,000,000, which is a guess in the dark. For foreign air-mail transportation we have allowed the full Budget estimate of \$5,000,000, which is less than one-third of the amount required for this service in 1941. For the past 4 years there has been practically no paid service outside of the Western Hemisphere and there is no experience on which to base an estimate of cost in 1947 which would

be realistic. Potential air carriers are evincing great interest in the establishment of new foreign air mail routes and the increasing of frequencies on existing routes but the extent of our appropriating liability will remain unknown until the rates are fixed by the Civil Aeronautics Board and in order to clarify the picture the Civil Aeronautics Board in the report on this bill is being asked to reduce the lag between the issuance of the certificates of convenience and necessity and the fixing of the rates. One year from now we should have a much better understanding of the appropriation needs for both foreign mail by boats and foreign air mail.

DOMESTIC AIR MAIL

The Budget Bureau sent us an estimate of \$50,000,000 for domestic air service during the fiscal year 1947. We reduced the estimate an even million dollars, on the theory that an appropriation of such magnitude could stand a relatively small cut and in view of the further fact that from the appropriation of \$43,315,000 for the fiscal year 1946 there is an estimated saving of \$716,436. The growth of the domestic air mail service has been spectacular. During the fiscal year 1945 61,698,222 ton-miles of air-mail service were performed, an increase of 19,408,377 ton-miles, or 45.89 percent in 1945 over the 42,289,845 ton-miles performed in 1944. It is a foregone conclusion that there will be a vast and rapid expansion of all phases of air transportation in the not distant future, with a consequent increase in the number of air mail routes and the volume of air mail. A very large number of proposals for new routes are now under consideration by the Civil Aeronautics Board. Postmaster General Hannegan is advocating a reduction in air mail postage from 8 cents to 5 cents an ounce. If that change is made it undoubtedly will greatly increase the volume of air mail and the burden on this appropriation. No attempt has been made to provide in this appropriation for the expansion that is already foreseen and we will face that problem when the time comes.

OMNIDENOMINATIONAL MACHINES

In the equipment appropriation of the Fourth Assistant Postmaster General we earmarked \$1,000,000 for the purchase of omnidenominational postage meters, stamp-vending machines, coin-operated postage meters and other modern mechanical postal devices. The experts of the Post Office Department stressed the great advantage of these inventions and lauded them as an important feature of postal equipment in the years to come. It was represented that these machines will be a great convenience to the public as they will enable people to buy stamps in postoffice lobbies at hours when the postoffices are closed, and that they will be of inestimable value in more readily handling the long lines of customers that form in postoffices during the Christmas rush and other heavy mailing periods.

LARGE TRUCK REPLACEMENT PROGRAM

We authorized the Fourth Assistant Postmaster General, Mr. Myers, to start on a large motortruck replacement program. We feel that this program is perhaps overdue and that under Mr. Myers'

capable supervision it will be in good hands. The Department's truck fleet has become badly worn and run down, some of the old trucks having run up to 200,000 miles. There are now 149 trucks more than 25 years old in use in the postal service. Vehicles of that age are very expensive to maintain. The Budget Bureau sent us an estimate of \$3,257,000 for the purchase of 5,780 motortrucks for the postal service. We reduced the amount proposed for 1947 truck purchases to \$3,500,000 in the belief that not more than that amount can be judiciously expended during the year. We are convinced that the Department needs these replacements.

FOREIGN FUNDS CONTROL

The Treasury Department activity known as Foreign Funds Control is heading toward a rapid termination. We allowed that activity \$1,000,000 for the fiscal year 1947, exactly 50 percent of the appropriation for 1946 which in turn was 50 percent of the appropriation for 1945. The downward spiral is certain to continue with accelerated speed.

The testimony of Orvis A. Schmidt, the Director, was that it probably will be possible to completely liquidate Foreign Funds Control during the next fiscal year.

We feel—

He said—

that by the end of the fiscal year about which we are now talking we will be in such shape that any residual problems will no longer justify the maintenance of a separate organization and that we will have so nearly completed our obligations that whatever residual obligations there may be can be handled by a few men.

It is believed that the Treasury Department will be the logical liquidating agency to finish the operation.

The Budget Bureau sent us an estimate of \$1,300,000 to continue Foreign Funds Control during fiscal year 1947. We believe that the tempo of liquidation can be speeded so that a million dollars will suffice. Only residual defrosting problems will remain for solution in 1947. The precise number and scope of these problems will depend on basic political developments and other high policy decisions. Foreign Funds Control is now generally recognized as one of the most effective defensive and offensive economic weapons ever created. It was put into operation a year and 8 months before Pearl Harbor and was extended until it covered over 30 countries and funds aggregating \$8,500,000,000 were frozen. China was the only one of the blocked countries that came under the control voluntarily. For managing and conserving all of these tremendous foreign assets our Government has not received and will not receive one dollar. The control was established solely as a protection to the United States and not for pecuniary profit. The blacklist—a list of persons in foreign countries who cooperated with Germany—will remain in effect for some time, Director Schmidt testified.

"The people who cooperated with the Allied war effort sacrificed the profits they could have made by trading with Germany and we feel that we should

now repay them by keeping the list in effect," he said.

THE BLACKLIST

There are approximately 6,000 names on the blacklist, about 3,900 in the Western Hemisphere and 2,100 in Europe. As long as these names are on the list no American businessman can do business with them. Americans cannot communicate with them. They cannot sell goods to them. They cannot receive payments from them or make payments to them. It is a complete shut-out and people on the blacklist are precluded from doing business with anybody in any of the United Nations. It is believed that this ban on trade intercourse will certainly lead to the forced liquidation of many firms on the blacklist.

DIVISION OF DISBURSEMENT

The Division of Disbursement is feeling the impact of an enormous increase of work due to the increasing load of social security and veterans' checks. During the fiscal year 1945 the bureau handled 84,298,027 items of payments, collections, and bonds. This grew to 114,281,200 items in fiscal 1946, and it is expected to take on the proportions of a rolling snowball in 1947 when 128,108,400 items are scheduled to be processed. We allowed the Bureau an appropriation of \$7,100,000, or \$100,000 less than the Budget estimate.

BUREAU OF PUBLIC DEBT

Due to the end of the war the operations of the Bureau of the Public Debt will be conducted on a greatly reduced scale in fiscal year 1947, and we made the appropriation for that Bureau conform to the reduced work load. We decided that \$64,700,000 would be sufficient to operate the Bureau during the next fiscal year. This is \$5,000,000 below the Budget estimate and \$18,550,000 below the appropriation for 1946. It is estimated that sales of United States Savings Bonds during 1947 will be about 55 percent under estimated sales for 1946, and redemptions of such bonds approximately 31 percent under the estimated number to be redeemed during 1946.

WAR FINANCE DIVISION

The part of the 1947 appropriation of the Bureau of the Public Debt that is allocated to the War Finance Division is \$2,000,000, a reduction of \$9,249,316 below the total obligations of that Division for the fiscal year 1945 when the war was at its height. It is this Division that has had the job of selling bonds to the public during the war. It has been a stupendous task which at its peak engaged the services of some 6,000,000 people, all volunteers except a small paid staff. It was through the efforts of this Division that the payroll savings plan, which has proven to be quite popular throughout the country, was inaugurated, and the purpose of the estimate for 1947 is largely to carry forward this payroll savings activity. About 100,000 business firms have the payroll savings plan in effect and nearly all of them are manifesting a willingness to continue it as a peacetime service to their country.

Economists regard a wide distribution of savings securities as a whole-

some indication, since it gives so many people a direct interest in their Government, and from this viewpoint it is interesting to know that 700,000,000 pieces of savings bonds are now outstanding and that 85,000,000 Americans now hold savings bonds.

CUSTOMS ENTRIES INCREASING

All indications point to a high level of import activity in 1947 and we allowed the Bureau of Customs \$29,430,000 to carry on its operations. This was a net reduction of \$600,000 below the Budget estimate. It is a curious fact that customs receipts are declining while customs entries are increasing. Receipts for the fiscal year 1945 totaled \$358,133,042 as against \$434,202,040 in 1944, but at the same time entries increased from \$2,249,317 to \$2,977,882. Customs authorities are agreed that the work load of the customs service is determined by the number of entries and not by the receipts. The drop in customs receipts in 1945 was due entirely to three circumstances. Duties on alcoholic beverages, imports of which were far greater in 1944 than ever before owing to the diversion of domestic alcohol for the production of synthetic rubber and other war purposes, declined sharply in 1945 with the moderating of previous restrictions to a mere 55.5 percent of the total for the previous year. Even so, the 1945 collections on such imports exceeded by 19.9 percent the duties on alcoholic beverages in 1937, the peak year prior to 1944. Most of the imports of sugar were admitted free of duty in 1945 with the extension of the scope of Executive Order No. 9177 to include sugar, and as a result the imports of cane sugar yielded less than one-sixth as much revenue in 1945—\$8,578,683—as in the previous year—\$53,286,873. In addition, there was a decline in duties on imports of unmanufactured wool, which yielded \$14,674,987 less revenue than in the previous year when such collections were the greatest in customs history. Exclusive of the three tariff schedules covering sugar, distilled liquors, and wool, duties increased from \$136,168,400 in 1944 to \$160,527,753 during the past year.

The customs service has a heavy task guarding vessels in port. The appropriation allowed will give the service 658 more guards than it had for the average of the 1936-39 period, but even that force will permit only 65-percent coverage. The Bureau's 1947 appropriation, as fixed in this bill, is an increase of \$814,999 over its total obligations for the fiscal year 1946.

ENORMOUS GROWTH OF INTERNAL REVENUE

The growth of the Bureau of Internal Revenue during the present decade staggers the imagination. Its personnel and appropriations have shot upward at an amazing rate and very little criticism, if any, of its expansion is ever heard because through its operations comes the stream of revenues that is the red blood of the Nation's finances, and it is generally conceded that it must be adequately staffed. New tax laws enacted in recent years have greatly magnified the Bureau's burdens and responsibilities. The elaborate hearings which we conducted relating to the internal-reve-

nue service, lasting 2 days, gave us a comprehensive idea of the Bureau's work load, and we fixed its appropriation for the next fiscal year at \$184,700,000, an amount which not long ago would have been considered beyond all reason, but which now means that to live within it the Bureau will have to practice real economies. We reduced the Budget estimate \$2,000,000, a relatively slight reduction, directing the cut to such items as travel and communications, for which substantial increases were proposed in 1947. No longer ago than 1940, the turn of the decade, the appropriation for the Bureau of Internal Revenue was only \$59,877,500, the cost of collecting the revenue was \$1.12 per \$100, the total number of employees was 22,423, and the revenue collected amounted to \$5,340,452,346.78.

LOW COST OF COLLECTION

In 1945, the last fiscal year, the appropriation was \$146,900,000, the cost of collecting the revenue had dropped to 32 cents per \$100, the total number of employees had grown to 49,814, and the revenue collected amounted to the enormous total of \$43,675,865,945.25. On January 4, 1946, there were 55,337 employees actually on the roll, comprising a vast army of tax gatherers. Secretary Morgenthau last year asked for 5,000 additional people for his drive against tax evasion. Our Committee on Appropriations gave him the green light and many of those agents already have been fused, or are in process of being fused, into the tax-gathering organization.

TAX-EVASION PROGRAM

Assistant Commissioner William T. Sherwood, who appeared before our committee as the over-all representative of the Bureau, said concerning the extent of tax avoidance and the goal that has been set for the tax-evasion force:

It is very widespread. There are many thousands of leads that have been successfully followed up, and I think Secretary Vinson, in his statement on the 1947 Budget, advised you that our collections in the period when we had partly trained and recruited these new men exceeded \$125,000,000 of collections for a like period in the last fiscal year. We have information that for the first 6 months of this year they will be \$185,000,000 in excess of the collections for the like period of last fiscal year. Now, the consequences of the work of these men to the total extent is not demonstrated by immediate collections. We believe sincerely that we will, at least, equal the estimate of \$1,000,000,000 that might be collected upon a proper enforcement schedule in the first full year of operation of these new people.

SECRET SERVICE

Our subcommittee was satisfied that the Secret Service branch of our Government is operating efficiently under Chief Frank J. Wilson and we allowed \$1,800,000, an increase of \$144,380 over the total obligations for the fiscal year 1946 for suppressing counterfeiting and other crimes. We approved the purchase of 60 new automobiles against the Chief's request for twice that number. He asked to be allowed to appoint 60 new agents at an estimated cost of \$284,000. We allowed \$215,000 for that purpose, believing that the reduced amount will provide for such operational expansion as seems warranted at this time. The num-

ber of new counterfeits has grown less year by year, due, it is believed, in part to the Secret Service crime-prevention educational campaign, but the forgery of Government checks and bonds has become an extremely serious problem. Last year the Secret Service received a total of 16,380 checks for investigation and 1,722 forgers were arrested. Most of the forged checks were for Army and Navy allowances and allotments to the families of soldiers and sailors.

FAST COINAGE PROGRAM

The Bureau of the Mint is planning to manufacture 2,600,000,000 coins in the fiscal year 1947, as against 2,646,131,101 in 1945, and 2,195,451,000 in 1946. Of the 2,600,000,000 pieces to be produced 1,655,000,000 will be 1-cent coins. There is a tremendous demand for pennies, especially in States that impose a sales tax.

NEW EQUIPMENT PROGRAMS

With the war over, there is great need for new equipment in the Bureau of the Mint and the Bureau of Engraving and Printing to supplant worn-out and deteriorated machines that could not be replaced as long as the war was on. Some of the machines used in the mints are a century old. Director Ross, of the Bureau of the Mint, requested \$374,100 for modernized mechanized mint equipment. Director Hall of the Bureau of Engraving and Printing, asked for \$655,000 as the first installment of a 10-year equipment replacement program, including various presses to be especially designed and manufactured for the work of the Bureau. We have allowed a total appropriation of \$6,000,000 for mints and assay offices as against total obligations of \$5,642,900 in the fiscal year 1946. For the Bureau of Engraving and Printing we allowed \$11,755,500 as against total obligations of \$11,684,700 in 1946. We believe that these sums will give administrative leeway to purchase needed equipment as rapidly as deliveries can be accomplished.

A SURGICAL OPERATION

In drafting the bill that is before you your subcommittee performed a surgical operation that makes appropriation history. From time immemorial our annual Treasury supply bill has carried an appropriation for salaries of the Office of Comptroller of the Currency. This year we have eliminated this appropriation entirely and hereafter the salaries of the Comptroller's force will be paid out of the fund derived by assessments on the national banks. It is from this assessment fund, now totaling in excess of \$4,000,000 that the salaries of bank examiners are paid and since the services of the Comptroller's office, like the services of the examining force, are beneficial to the banks it seems logical that the banks should pay the entire bill. The excision of this appropriation from our bill transfer 105 persons from the Federal pay roll and saves the Government \$281,000 a year. The subcommittee before taking this step made careful inquiry as to its effect on the retirement and other benefits of the transferred personnel and was informed that no disadvantage to any employee will result. The amount in the assessment fund is

ample to cover the slight additional cost without raising the assessment. The departmental officials indicated to the subcommittee that the Department has no objection to this plan and that it is in accord with law.

SILVER FOR THE ARTS

In our hearings we had a good deal of testimony in regard to silver. The Secretary of the Treasury is under a statutory mandate to buy silver until the price reaches \$1.29 an ounce or until the supply of silver, reaches one-fourth of the total monetary stock in the country. As neither goal is in sight and perhaps never will be reached the Secretary of the Treasury goes on buying silver. The monetary silver stock of the United States on September 30 last was about 2,500,000,000 ounces held largely in the depositories at West Point and San Francisco, and some in New York City.

The Treasury Department now has on hand 243,000,000 ounces of free silver, which it does not require for any Treasury operation. Knowing how great is the need of silver for manufacturing purposes many persons believe that the Treasury's free silver, lying idle in the vaults, should be made available for use in the arts and industries but that, of course, is a matter for congressional consideration. Our bill carries a provision, inserted in the full committee, under which this accumulated silver would be sold for manufacturing purposes at 71.11 cents an ounce.

In conclusion permit me to say that the bill we bring to you has been prepared with the most meticulous care and with the most painstaking attention to each and every item involved. We would not add \$1 to it and we believe that further reductions would be harmful to the public interest. We hope that it will merit your approval.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. What is the total appropriation?

Mr. LUDLOW. It is, roughly, \$1,604,000,000, I believe.

Mr. SMITH of Ohio. What is the total amount, including the permanent appropriations?

Mr. LUDLOW. Of course, those are appropriations that we never touch. The total appropriation carried in this bill amounts to \$1,604,556,940. That is the regular operating appropriation for the Treasury Department. There are quite a large number of permanent appropriations that go right on without any legislative action.

Mr. SMITH of Ohio. That is the figure I would like to have, including the permanent appropriations.

Mr. TABER. If the gentleman will yield, it is a little over \$11,000,000,000, including everything.

Mr. LUDLOW. I may say to the gentleman from Ohio that the interest on the public debt alone is estimated to be \$5,000,000,000 in the next fiscal year.

Mr. SMITH of Ohio. That is included in the figure?

Mr. LUDLOW. That is included in the \$11,000,000,000 over-all figure.

Mr. O'NEAL. Including the trust funds of \$2,800,000,000, it would be \$11,600,000,000, but without the trust fund it would be \$8,884,000,000. In that amount are permanent appropriations for such things as the interest on the public debt and matters of that sort, bringing the total permanent appropriations to \$5,594,000,000, but the actual operating amounts are those given by the gentleman from Indiana.

Mr. SMITH of Ohio. What is the exact figure for the interest on the public debt?

Mr. LUDLOW. Five billion dollars even; \$4,750,000,000 for the present fiscal year, and the next fiscal year it will be \$5,000,000,000. I now yield the floor and I thank the House for its patience.

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Chairman, I can see nothing but confusion and very few houses getting built for veterans if the Wyatt scheme is carried through. I must say it was one of the greatest surprises and shocks I have ever experienced to learn that the House Banking and Currency Committee would agree to such an ill-advised and unnecessarily costly scheme as the Wyatt plan to subsidize this proposed building program to the tune of \$350,000,000 out of an already bankrupt Treasury. Surely the gentleman from Texas [Mr. PATMAN] and his followers on that committee should know that the primary factor in getting these houses built is to make it possible for the producers of lumber to get a price for that lumber that will justify paying a good wage to his employees, pay all running expenses, and make a fair profit. If that is done, all the mills will start to hum pronto. Then, within a few months supply will meet demand and then our traditional competitive system will keep prices down where they belong; but no, that is not the New Deal way.

When, oh when, I ask, are we going to stop these unnecessary raids on the Federal Treasury? Every dime of which must be paid back after being earned by the sweat of some workingman's brow.

Mr. Wyatt talks about using surplus war plants in which to build prefabricated houses. I wonder how the bricklayers, carpenters, painters, and other workmen in the trade, many of them veterans, in other sections of the country will feel about that, to say nothing about the building material dealers, too? The facts are that all these needed houses can be built quicker and better by local labor in every community and for far less money if only they could get the material needed. And they could soon get that material by simply adjusting the OPA ceiling prices on certain lumber and building material, as I have stated before; actually it is that simple. And then Mr. Wyatt talks about a one-bedroom prefabricated house to cost around \$3,500. My own knowledge and experience in the manufacture of prefabricated houses with the information I have right now from reliable sources and my 24 years of experience in the retail lumber and home-building business makes it my plain duty to speak out now and say

that no one, regardless of where he lives, should pay over \$2,000 for a good prefabricated house built of regular materials up to a size of 20 by 22 feet, or 18 by 24 feet, with one bedroom, living room, dining nook, small kitchen, and shower bathroom, exclusive of utilities and foundation material.

Our veterans will surely be taken for a ride if the Wyatt scheme goes through. A few builders of homes would make millions upon millions at the expense of the veterans, who would get it in the neck twice; first, by a needlessly high price for a house, and, secondly, by paying his share of the tax to pay the \$850,000,000 subsidy proposed by Wyatt in his bureaucratic plan. This must not happen.

I do not propose to sit idly by and see it happen to the American veterans. Yes, they must have homes, but they demand and have a right to expect their representatives in Congress to see to it that they are not fooled or cheated. So, for heaven's sake let us use our own heads.

If there is the slightest question in anybody's mind as to who is holding down production of lumber and other materials needed to build homes for returning veterans and other Americans, all they need to do is to read the facts as set out so clearly in the following editorials and releases by men who know the lumber business and the building business from A to Z.

President Truman, the OPA, and Housing Director Wyatt can plan and scheme and talk until they are blue in the face, while everyone who knows something about the lumber business and the building industry listen with utter disgust, knowing full well there is but one solution to the problem, and that is an adjustment in the ceiling prices on certain lumber items set by OPA Director Bowles and O. K.'d by President Truman.

Of course, a better solution would be a complete hands-off by the bungling OPA czars whose primary purpose it seems is to force private operators out of business, then declare another emergency exists as an excuse for the Government to take over the mills and lumber yards, or pay a huge subsidy out of an already bankrupt Treasury, which is the New Deal's stock in trade whenever their bungling in business reaches the climax, as it now has in the lumber industry, as well as in most every line of business where they have interfered with their silly regulations. The OPA must be stopped before the OPA stops America.

If I were in business today I would keep a good vermin exterminator handy for self protection against unlawful search and seizure by any scoundrel. Every law-abiding American citizen has that right under our Constitution. I certainly would make at least one OPA wise-guy cite me the law which gave him the right to nose around in my business. I said the law, not some rule or regulation or edict which possibly he himself had concocted. Then, if I felt myself guilty under the law, I would pay my fine, but if not, I would fight them if it took the last cow in the barn; for surely, the time has come to fight tooth and tongue for principle, or lose our birthright. What I have just said may sound out of

order, but I have lost all patience with this OPA outfit and a lot of other un-American rot emanating from and condoned by the party in power to enslave the American people by the same methods so successfully used to destroy free, private enterprise and to bankrupt many of the other nations on this globe during the past decade. Certainly that is not what our fighting men fought, bled, and died for all over the world in this last year, or any other war.

The House Banking and Currency Committee are holding hearings right at this time to determine what to do with OPA. Let us hope and pray that that committee will either bring in a bill speaking out in clear, concise, understandable language just what the duties of the OPA shall be, or else a recommendation for an immediate liquidation of the whole outfit.

Now, why do I say that? Simply because the present operations of the OPA are accomplishing the exact opposite of what it was intended to do, to say nothing about the abuses suffered by millions of law-abiding citizens in their struggle to stay in business. Thousands have already thrown in the sponge, and many more thousands are about ready to give up the fight, close out, shut down, or sell out to some big competitor who has an "in" with the party in power and can get by with most anything and everything because they have the kind of salve it takes. How, I ask, can prices be kept down when competition and production is kept down to a minimum; and, mark you, that is exactly what OPA is doing today as every fair-minded person must know, and as the following editorials and news releases prove conclusively.

Mr. Wyatt proposes to build 2,700,000 so-called low-cost homes during 1946 and 1947. How in heaven's name, I ask, does he expect anybody to take him seriously in the light of the conditions the OPA has brought about and seem determined to carry through in the lumber industry, to hold down production. These homes, they say, will be low-cost homes, costing \$6,000 or less. But to 75 percent of the American people a \$6,000 home is a high-cost home. So, even if lumber is made available by some hook or crook, a \$6,000 or even a \$5,000 home is more money than 75 percent of the veterans can afford to spend, or will want to go in debt for; or at least should go in debt for, regardless of whose money is used, unless they are settled at sure, permanent employment at a wage or salary that will justify the monthly payments. I speak from experience, for I was one of those many veterans of the World War I who built a better home than my income warranted, and believe me, it was mighty tough going to hold that home for many long years. So, my advice to all prospective home builders with limited means, is, build a home to fit your income, add to it as you can afford, but above all, own your own home, be it ever so humble. First, because you owe it to your family and yourself, and, second, because your America will always live if America has a majority of its people living in their own homes. Property and home owners are capitalists, you know. You will find very few Commu-

nists living in homes of their own in the United States of America, and not one person has a home of his own choosing in Russia, remember that. But again, I warn you, build to fit your pocketbook, do not take chances. Even Uncle Sam is a ruthless collector at times, and it must be awful to lose the place you love to call Home Sweet Home. Deal with your home town building-material dealers, carpenters, and contractors. They will give you sound advice and 100 cents worth of house for every dollar you should spend, which is to their advantage as well as yours.

Mr. Chairman, I have introduced a bill to stop all exportation of lumber until our needs are supplied.

Now read what others have to say about this most important matter. After you read I am sure you will agree with what I have just said.

[From the Red Oak (Iowa) Express of February 4, 1946]

SOMETHING SHOULD BE DONE

Not long ago Representative BEN JENSEN was in this town calling on friends. A lumberman, himself, he was naturally interested in the problems of that important business. He told friends of the unhappy feelings of servicemen who came home to find that they could not buy lumber to build a house. Yet, these same servicemen may have passed on the high seas ships loaded with lumber going abroad.

In this issue we publish an editorial which is reprinted from the American Lumberman. It shows that lumber manufacturers are allowed to get a higher price for export than permitted by our good friends in the OPA at Washington when the same lumber is sold for home consumption.

Oh, yes; the OPA is protecting us on prices, but darned little lumber can we buy. It is obvious that manufacturers cannot continue to sell it at a loss, nor will they do so when any profitable sale presents itself. Lumber companies, cannot print money or charge up losses to taxes. This the Government does not seem to understand.

We can never straighten out our shortage problems as long as the OPA, with its tangle of red tape, proceeds to cause months or a year of delay in finding out things that other people already know.

Farmers, businessmen, prospective home owners in this community know that they cannot get material with which to build. They also probably know that if we continue shipping our lumber abroad they will never get it. It resolves into the question of who's country is this?—ours, the people's—or the OPA's? Apparently, the only answer is to put sufficient pressure on your representatives and to write to the OPA in the hopes of getting a stick of lumber when you need it. We recommend that every interested person read the editorial from the American Lumberman.

IMMEDIATE REVISION OF OPA'S PRICE SCHEDULES IMPERATIVE TO GET HOME BUILDING LUMBER IN VOLUMES

Five months have elapsed since VJ-day, but the late moves in Washington, supposedly aimed at improving the Nation's critical building material supply situation are not practical, and will not alleviate the housing shortage. Until an all-out program to stimulate production of building materials is launched, home building will be stymied. A review of OPA ceiling-price schedules on lumber reveal the reasons why mills are not producing the items needed for home construction.

The Nation's lumber industry is capable of producing more lumber than can be consumed in the greatest building boom ever

experienced. Lumber production has always been governed by the volume of construction—home building has never, until now, been dependent on the amount of lumber available. But under a price structure designed to encourage production for war, lumber items needed for home building are not being produced in volume, and many operations in some regions are entirely out of production because of inability to show a profit.

In the southern producing area, OPA's refusal to recognize that private business is different from Government—in that it must operate within its income, has thrown more than 25 percent of that production out of operation and the decline is continuing. F. o. b. mill ceiling prices on southern pine have increased 24 percent since MPR No. 19 was issued in 1941. That looks good until it is learned direct labor costs have risen 93.3 percent in the same period and the cost of operating materials and supplies have increased 107.5 percent along with a 33-percent increase in living costs. Normally about 65 percent of southern pine lumber goes into building construction.

West coast producers have not been forced to discontinue operation as generally as those in the South, but they have not been able to cut many home building lumber items at a profit because of OPA ceiling maladjustments. For example, rough green vertical grain B and better clear fir 4" x 12"—12' can be sold for \$75 per thousand board feet. When the same item, put through many expensive additional operations, comes out as 1" x 4"—12' B and better flat grain flooring, the OPA ceiling price is only \$45—the same price that prevailed in 1942. Or, if the firm deals in export trade, the 4 x 12's mentioned can be sold for export at \$87 per thousand instead of being cut into \$45 flooring—the result, a substantial footage of our lumber is being exported. Even when flat grain cants are cut into 1" x 4"—12' vertical grain B and better fir flooring, it sells at the 1942 price of \$60. Fir 6" x 12"—12' rough green B and better vertical grain sell for \$74 per thousand, but when run into 1" x 6"—12' B and better flat grain flooring or drop siding, the price is only \$50 per thousand—the 1942 price. Framing lumber as compared to plank and timbers must be repriced if mill operators are to be interested in cutting logs to dimension rather than the easily cut less-wanted items. Instead of lumber manufacturers being able to adjust their cutting schedules to satisfy the market, they are forced, under OPA ceilings, to produce items which are not suitable for home construction.

Unless OPA price schedules are revised lumber production will remain down and what production there is will not develop items needed for home building in any quantity. Furthermore, because OPA price schedules on lumber should have been revised last September it is imperative they be changed immediately—and not after the conventional 6 to 9 months of study and research.

[Telegram]

NEW ORLEANS, LA., January 30, 1946.

HON. JOHN W. SNYDER,

Director, Office of War Mobilization and
Reconversion, East Wing, The White
House, Washington, D. C.:

On September 10, 1945, we advised you fully of the distressing conditions existing in the southern-pine industry and warned you that the responsibility for any shortage in southern pine lies directly upon Government agencies having control of the industry through their actions or through their lack of action. Since that time, on November 29, OPA authorized an increase which was wholly inadequate and too late to meet the situation. At a meeting of southern-pine lumbermen widely representing the industry here today, Judge Collet's directive No. 94 came as a shocking surprise to those present. It was

the unanimous opinion of these lumbermen that the directive is utterly unsound, wholly impractical, and will be ineffective. It will not increase production. To the contrary, in the opinion of those present, it will reduce production and certainly, under the conditions set forth in this directive, there will not be any price increase for this distressed industry. The suggested basic goal of 9,000,000 feet for 1946 is absolutely impossible of attainment under directive 94, and it will add materially to the chaotic conditions already obtaining in this industry. In fact, we believe this directive will have the effect of destroying any hope for an increase in price to southern-pine producers. Since you are responsible for the reconversion program, we feel that you should have this warning that directive 94 will be disastrous. It gives no relief and will further tend to discourage the present inadequate production of lumber which threatens to become the major bottleneck in the housing and reconversion programs. We strongly urge its immediate withdrawal.

SOUTHERN PINE WAR COMMITTEE,
C. C. SHEPPARD, *Chairman*,
H. C. BERCKES, *Secretary*.

(The above telegram has also been sent to the following with the explanation that the original was addressed to Hon. John W. Snyder: Judge J. C. Collet, Stabilization Administrator, Office of War Mobilization and Reconversion, Washington, D. C.; Mr. Chester Bowles, Administrator, Office of Price Administration, Washington, D. C.; Mr. Wilson Wyatt, Housing Expediter, room 323, Washington Bldg., Washington, D. C.; Mr. M. W. Niewenhaus, Director, Forest Products Division, Civilian Production Administration, Washington, D. C.; Mr. J. D. Small, Administrator, Civilian Production Administration, Washington, D. C.)

[From Lumber Buyers Weekly Market Letter
of January 25, 1946]

MILLS MUST SUPPLY CONSTRUCTION LUMBER

On February 1 the manufacturers of softwood lumber must set aside 40 percent of their output to be applied on HH priority ratings. This 40 percent must be made up of "housing construction lumber," such as flooring, ceiling, siding, partition, casing, base, molding strips, boards, 2-inch dimension, finish, shop lumber, and lath.

Each sawmill must reserve 40 percent of its total production for February and each month thereafter, to be applied on HH orders. In case the lumber reserved is not sold by the twentieth of the month in which production is reserved, the stock may be sold on orders other than those carrying an HH priority.

The above sounds very nice, and if 40 percent of the fir and pine mills' production is diverted to the purpose intended, we will see a lot of lumber moving through dealers' yards, but it may not work out exactly as planned. Already some lumber manufacturers claim they cannot and will not obey the "edict" unless the ceiling prices on construction material are raised. The whole order will be shot full of holes unless the OPA revises the price ceiling so that the lumber manufacturers can make construction material without a heavy loss. If the OPA tries to enforce this ruling without the cooperation of the lumber industry, we can visualize all kinds of evasions and an active black market.

RETAILERS TO FEEL OPA SQUEEZE

The OPA has just issued amendment 15 to Second Revised MPR 215, which has the effect of freezing retail prices on northern hemlock and other softwood from Minnesota, Wisconsin, and Michigan, and western red cedar shingles, on the basis of the prices in effect on December 1, 1945. This means, in the case of western red cedar shingles, the retail dealer must absorb the 20 cents a

square advance allowed the shingle manufacturers, effective December 17, 1945.

This ruling is in line with Chester Bowles' idea of holding the line against inflation. Labor may get higher wages, but the extra cost of manufacturing or distribution must be absorbed by the manufacturers or distributors. This is one way to control profits and do away with competition. The next step, no doubt, will be to freeze lumber prices, and then allow labor and increasing manufacturing and distributing costs to squeeze the manufacturers and distributors still further.

In theory, the plan to control prices and, incidentally, profits, appears workable to men who have learned economy out of a book, but in practice it fails to work. If the manufacturing profit on an item is not satisfactory, the manufacturer simply will not make that item, and if the retailer is not allowed a fair profit, he will not stock the item. If you do not believe this is a fact, try to buy a shirt or a pair of shorts.

In our business, we have a good example of how a price squeeze can affect the supply of any commodity. The prices on flooring, drop siding, boards, and 2-inch dimension are out of line, so the lumber manufacturers simply do not make these items, but, instead, they make plank, timbers, and rough green clears. In this instance, Mr. Bowles is holding the line, but the supply of necessary items to build homes is about nil.

FIR DIMENSION

Practically all the fir manufacturers out here are taking advantage of the footnote in RMPR 26 applying to 2-inch dimension, which reads as follows: "Odd or fractional widths, add \$1 to and compute footage on next wider even width except 2 by 3." In order to comply with this footnote, a manufacturer can cut 2 by 4½-inch dimension, surface to 1½ by 3½ inches and charge for 2 by 6 inches, using a price \$1 over the ceiling price on 2 by 6 inches. The same rule applies to other widths; that is, stock can be sawn to 2 by 10½ inches and surfaced to 1½ by 9½ inches, and the purchaser must pay not only for 2 by 12 inches but \$1 over 2 by 12 inches ceiling price. The fir mills are working this to the limit. Buyers are willing to pay the extra in order to get stock. Everyone knows it is only a question of time until OPA stops the practice, but it is a good graft as long as it lasts.

WHY IT IS SO HARD TO BUY LUMBER

We know some of our clients cannot understand why we cannot place mixed-car orders and orders calling for flooring, drop siding, boards and 2-inch dimension, but when one knows all the circumstances, it is easy to understand why yard items are practically impossible to buy.

The lumber manufacturer is only human, and he is going to cut the stock that nets the most money, and that means rough plank, timbers, and green clears. This deplorable condition has been brought about by the stupidity of the OPA, and we do not blame the lumber manufacturers too much. We probably would do the same if we were in their place, but it is going to take lumber other than plank, timbers, and green clears if we are to build a million homes this year.

On account of price ceilings being made by edict rather than by the law of supply and demand, it is only natural for the lumber manufacturers to take advantage of every loophole to get more money for their stock, just as we all do when figuring our income tax. If we had a natural market, based on supply and demand, there would be no reason for manufacturers to resort to the subterfuges they are now using, as each item manufactured would be priced on the basis of supply and demand.

Our clients, of course, would like to buy kiln dried 2-inch dimension, but no manufacturer is going to make 2 by 4—R/L No. 1 Common K. D. S4S at \$34.50 f. o. b. mill

when he can sell 4 by 12—R/L No. 1 Common Rough Green at \$27.50. The OPA will allow reworking plants to rework these 4 by 12's into kiln-dried 2 by 4's, and for doing this the reworking plants can charge \$18 or \$20 per thousand feet, but the legitimate manufacturer can charge only \$7 difference between kiln dried 2 by 4's and the rough green 4 by 12's. No wonder legitimate lumber manufacturers are not making kiln dried dimension. The same discrepancy applies to 1 by 4—R/L B and better F. G. Flooring. The ceiling price on flooring is \$45 mill basis, but 4 by 6—R/L B and better rough green clear is priced at \$57. No manufacturer, in his right mind, is going to cut 4 by 6 rough green clear into flooring and sell it for \$12 less than he can get for 4 by 6's.

We are told there are to be new fir ceiling prices that are more in line with needs and conditions, but we are afraid we will be given another patch-work job that will cure nothing. What we need is a major operation.

HOW OPA WORKS

The ceiling price of fir railroad ties is \$28.50 per thousand feet f. o. b. mill. If for export, the mills can charge \$32 per thousand feet. This is an example of why the mills like foreign business. Another laugh—a tie measuring 6 by 8—8 feet is supposed to weigh 3,500 pounds per thousand feet, but a tie 6 by 8—9 feet is figured at 3,300 pounds. No one knows why.

The Canadian Government does not try to regulate prices on export shipments. The fir mills in British Columbia have just sold 32,000,000 feet of ties to China on the basis of \$36 to \$47.50 per thousand feet. If our mills could have furnished them the price could not have been over \$32.

SALES, PRODUCTION, AND SHIPMENTS

The confidential report of the West Coast Lumbermen's Association for the week ending January 19, which was mailed to the association's member mills today, will show the following:

[In millions]					
Week ending.....	Dec. 22	Dec. 29	Jan. 5	Jan. 12	Jan. 19
Production.....	76	36	44	78	78
Sales.....	69	55	60	76	85
Shipments.....	71	47	46	78	84
Unfilled orders.....	599	612	618	604	595
Mill inventories.....	307	298	294	292	284

Sales were divided as follows:

[In millions]					
Week ending.....	Dec. 22	Dec. 29	Jan. 5	Jan. 12	Jan. 19
Rail shipment.....	52	39	40	54	58
Domestic cargo.....	5	7	7	8	9
Export.....	5	2	6	6	9
Local sales.....	7	6	7	8	8

Unfilled orders:

[In millions]					
Week ending.....	Dec. 22	Dec. 29	Jan. 5	Jan. 12	Jan. 19
Rail shipment.....	495	501	495	483	476
Domestic cargo.....	35	37	43	40	40
Export.....	69	74	81	81	79

The Western Pine Association's report for the week ending Jan. 12 showed the following:

[In millions]					
Week ending.....	Dec. 15	Dec. 22	Dec. 29	Jan. 5	Jan. 12
Production.....	26	18	12	16	24
Sales.....	23	20	10	21	45
Shipments.....	28	19	12	22	33
Unfilled orders.....	242	208	202	196	246

[From Crow's Pacific Coast Lumber Digest of December 15, 1945]

INDUSTRY IS QUITTING THE UNEQUAL BATTLE (By C. C. Crow)

This week Mr. Frank Ransom, President of the Eastern & Western Lumber Co., of Portland, announced that within the next few days they will close for all time. This is one of the top sawmills of the Northwest that has been in operation for 45 years and at its peak produced over a long period an average of 110,000,000 feet of lumber annually.

Only a comparatively short time ago numerous other well-known sawmill concerns took the same steps as the Eastern & Western Lumber Co. To name a few, there have been the Clark & Wilson Lumber Co. with its three big plants on the Columbia River, Pacific National Lumber Co., Tacoma, Wash.; Silver Falls Timber Co., Silverton, Oreg.; Westport Lumber Co., Westport, Oreg.; and the big Bellingham division of Bloedel-Donovan Lumber Co.

Keep in mind that, with possibly one exception, all of these mills have or had standing timber of their own when they closed. Keep in mind that all of these concerns were in a good financial position and enjoyed the prestige of long-established connections with the very best trade both domestic and foreign who had come to know that they were capably managed and well equipped and their product of dependable, high-class uniformity.

Why have these mills quit? No one who knows the conditions under which they have been operating can criticize them.

Some would have you believe they closed because of the inability to get timber. That has been a small factor only. In former years all of these concerns brought timber from greater distances than they did in the last days of their sawing. During the peak of Columbia River production, logs were being towed at snail's pace up the river against the current from the very mouth of this stream 100 miles from Portland. Plenty of timber is available today in the opposite direction from Portland up the Willamette Valley at shorter distances and it all moves down grade to the mills. True, it is not on the average as good Douglas fir as was harvested on the lower Columbia River, but it does make excellent lumber even though carrying a smaller percentage of clears.

While the managers of these liquidated mills have never openly made such an admission, it has not been the inability to get logs that has been the major reason for their quitting. They have tired of fighting Government bureaus. They have tired of constantly struggling for elbow room from the never-ending stream of red tape turned out and wrapped around them by Government crackpots. They have tired of spending half of each day arguing with Government-backed, red labor racketeers. They have tired of waiting for months for the OPA to make decisions that should not take them more than a few days, as that bureau fails utterly to make urgently needed and clearly deserved adjustments to regulations and prices to meet the changing conditions while production costs mount. They have tired of having the worst radical element in their organizations preach and teach contempt for the employer. They have tired of having these same reds first encouraging and later demanding of loyal employees that they hold to a minimum the personal effort which they expend as they did during the war when lumber was so indispensable, and the output per man per hour dropped to a ruinously low level. They have tired of labor demands for more and more concessions while their efficiency continues to drop. They have tired of having Government-employed labor trouble-makers constantly circulating amongst their employees, figuring out ways to make satisfied men dissatisfied. They have tired of the constant threat of unauthorized

"quickie" strikes and the progressive infringements upon the authority to direct their own businesses, a result of the insolent and overbearing Government-schooled policy of organized labor.

The facts are, these excellent, well-equipped mills capable of employing thousands of men and turning out millions of feet of lumber each day, which is urgently needed, have sickened of studied dictation imposed upon them by a Government administered by a spineless Congress of self-seeking politicians led by an accidental President, a weakling, the impotent spawn of ward-heeling, gangster politics who is satisfied to do the only thing he is capable of doing and that is to drift along with the New Deal flotsam on which he was born politically.

The liquidation of sawmills has only started. The OPA and numerous other bureaus, with their dilatory tactics and impractical hamstringing of all industry, are making it necessary for a businessman to become a crook if he stays in business and remains solvent. More good mills have been sold for a song during the past year than in any 10 years previously. This has also been liquidation. Sawmill operators, who have put in a lifetime building up such organizations as those already mentioned, have with full justification come to realize that it is futile and certainly not worth while to continue in the one-sided battle against merged subversion of entrenched Federal parlor pinks and the soap-box radicals they are forced to employ.

What is true of the lumber industry in the Northwest is true of other industries in all sections of the United States. Any man who with hard work and close application has built up a business is not going to continue it, lose what he has, and shorten his own life by trying to do the impossible just to keep grasping politicians in office to test out the theories of a lot of academic nit-wits who could not run a peanut stand and come out whole even if furnished free of charge the necessary equipment and materials.

It will take someone bigger than a group of demagogues headed by a necktie salesman to keep this country from losing its indispensable industry leadership, without which it is destined to sacrifice the democracy and free enterprise with which we at one time became the greatest Nation in the world and the hope and ambition of oppressed people the world over.

[From Improvement Bulletin of January 3, 1946]

IN PERSPECTIVE

(By G. L. Anderson)

We enter this, the first new year of peace, with altogether too many difficulties in the way of a prompt and prosperous return to the normal business of the nation.

It becomes more and more evident that the pains of transition from war to peace do not spring from the defects of capitalism nor the errors of labor but from the exploits of government.

We are reaping, whether we like or not, the harvest of too much governmental control and regimentation of both employer and employee, of too much interference in those functions which are not properly the province of the government, and of too many ignorant, inefficient and even vicious bureaus and bureaucrats which have become the tares in the wheat of our national industrial economy.

As a consequence even the great construction program which was to be depended on for much of the immediate employment of our returning veterans and displaced war-industry workers, is being slowed to a halting state and may even come to a complete standstill.

At this moment, capital and industry are ready and willing to go forward in the greatest era of productivity this Nation has ever known, bulwarked by a consumer demand which would assure full employment and

round-the-clock operation for every major and minor industry in the country. Unemployment, for everyone willing to work, would cease to exist for the next 5 years at least, if it were not for the unfortunate struggle between labor and industry which, basically, stems from government interference and restrictions.

Industry wants to go ahead and labor wants to be employed and between them, by intelligent consideration of mutual problems, there lies a solution for all difficulties but from within and without, both are plagued by too many committees and agencies who, in the guise of settling, only succeed in widening the breach between the two factions.

The latest suggestion that Government delve into the private records of corporations with fact-finding committees to determine whether or not higher wages can be paid out of capital is probably the most arrogant assumption of any governmental power advanced thus far in a long series of preliminary regimentations. It is a direct reversal of the old economic rule that the selling price is the determining factor in the price of the component parts of any article or service.

Where the serious damage is done, however, is in the relationship between industry and labor. Erroneous premises are set up and equally erroneous conclusions result, which widen the breach between the two factions and lessen the possibility of reasonable conclusions.

Dividends to stockholders are the wages of capital. Investors have as much right to these wages as do the workers for their money provides the opportunity for employment. Capital is the safeguard of industry. Industry does not have the limitless assets of Government on which to draw. When industry needs huge sums of money it comes either from capital or from investors and where there is little of the former, and no reasonable assurance of dividends to the latter * * * no financing is possible.

All of these things are known to reasonable, intelligent men, but for some reason, for the sake of political opportunities, they are ignored by Government or bypassed through some wild-eyed theory which is born in the minds of men who wish to control everything.

No government-controlled economy has ever paid workers anything but a bare subsistence. We have had opportunity to see that in the past 5 years. No nation, under any kind of political system, has ever approached the level of living conditions which has been reached in our Nation under private industry and profit system.

Nor is there any better system yet devised which promises so much to the individual who works to produce and may none of us ever forget it.

(Mr. JENSEN asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. CHIPERFIELD].

Mr. CHIPERFIELD. Mr. Chairman, the State Department is planning to establish a new information and cultural relations program all over the world. It will soon ask Congress to approve H. R. 4982, entitled "The interchange of persons, knowledge, and skills between the people of the United States and the peoples of other countries," so that it may undertake a radical departure and expansion from its existing programs and functions.

Originally, at the request of the State Department, a bill, H. R. 4368, was introduced before the Foreign Affairs Committee to authorize such a program. This original bill, in my opinion, was a legislative monstrosity. It proposed to

establish programs for the interchange of persons, knowledge, and skills without in any manner defining what those programs were to be, without placing a limit on the amount to be authorized, or placing a time limit as to the period of the authorization. The language was so broad in its terms that it was almost impossible of definition.

What program could not be undertaken under the pretext of interchange of knowledge and skills? Almost any program within one's imagination could come under such broad terms.

So, during the hearings before the Foreign Affairs Committee it soon became apparent there was a need for a more specific bill, and H. R. 4368 was abandoned and the bill H. R. 4982 has now been substituted in its place.

The State Department was so anxious to have this bill pass the Congress before the last session expired it was pushed through our committee, in my opinion, without adequate hearings. That this was the case became apparent when the Rules Committee refused to grant a rule on this measure even though there appeared before it bipartisan proponents of the bill.

It is also apparent there is dissatisfaction with this measure from sources outside of Congress, because after the Foreign Affairs Committee had approved it both the AP and UP news syndicates publicly notified the State Department of their refusal to cooperate in such a program. If the reports in the press are correct, opposition was also encountered from the School of Journalism in New York City.

Before Congress acts upon this bill I believe there should be further hearings upon it by the Foreign Affairs Committee so these interested parties can be heard. If such an opportunity is not afforded, I believe the proper action for this House would be, when this bill is presented, to recommit it to the committee for further consideration.

Certainly serious consideration should be given to amending this bill in several particulars.

First. There should be a ceiling established as to the amount to be authorized. This has been the usual practice in most authorization bills. A recent example is the UNRRA bill which established a ceiling beyond which appropriations could not be authorized. I believe this is sound legislative practice.

The appropriations for the State Department 7 or 8 years ago, in peacetime, only amounted to around \$25,000,000. While their appropriations have increased materially during the war period, and I realize they have a greater responsibility now, I do feel we should put some limit on this program because it is apparent, from reading the hearings on this measure, it is intended to spend annually on such a program more than the entire cost of the State Department was some 7 or 8 years ago.

It is my understanding under this program for the first year, when it is just getting started, we will be asked to appropriate \$29,000,000. We all know when these bureaus once are established they never, in succeeding years, ask for less but keep growing like Topsy.

Second. While there has been an attempt to classify the different programs under the revised bill, let us examine some of the language it still contains:

Under section 3 (b) the Secretary of State is authorized to make grants of money, services, or property to governmental institutions, public or private nonprofit organizations, and individuals, both in the United States and in other countries for technical projects undertaken and jointly financed by the United States and another government, or by the United States and a private nonprofit organization, for the common benefit of the United States and another country.

What is meant by technical projects? I am unable to state. I hope we are not to judge the future by the past. Under a program undertaken by the Coordinator of Inter-American Affairs such programs as providing a technical basis for planning was undertaken in Paraguay at a cost of \$105,500; a program to improve agricultural technique in Peru costing \$101,701; to introduce ideas and techniques designed to effect an increase in production of food products in Venezuela, costing \$40,000; public baths and lodgings in Chile at a cost of \$185,000; water supply system in Honduras at a cost of \$51,282; sewerage system in Ecuador at a cost of \$36,496; and a road project in Honduras of \$1,222,000.

All of these projects and literally hundreds like them have been carried on in Central and South America under the guise of improving cultural relations with these countries, mostly at our expense. I believe we should clearly define the language of this bill so that such projects will not be permitted under this new program.

Third. Let us take another classification. Section 3 (f) provides that we give assistance to American-founded, American-affiliated, and American-sponsored schools, libraries, and community centers abroad. Does this mean we are going to subsidize every privately endowed American school established all over the world and have these institutions clamoring and competing for our taxpayers' hard-earned dollars? Why not define by conditions in the bill how and when this aid is to be granted?

Fourth. The bill also provides for interchange of students, professors, and outstanding persons. Is there any reason why the United States should bear the entire burden of such an interchange? If not, why do we not specify in this bill that the countries with whom we are making such exchanges should pay a proportionate share of such expenses?

Fifth. Do you believe it is good legislative practice for us to authorize, as is done in section 5 (d), and pay the expenses of, attendance at meetings or conventions of societies and associations concerned with furthering the purposes of this act; or section 5 (b) to furnish for citizens and subjects of other countries such entertainment as the Secretary determines to be advisable for the achievement of the purposes of this act, both in the United States and in other countries, when there is no limit of any character as to what might be classed as entertainment, or the nature of meetings or conventions to be held? Why

should not this be on a cooperative basis rather than at our expense?

Sixth. Furthermore, there are waivers in a great many instances in this bill of existing statutes with reference to travel allowances, civil-service classifications, and so forth. I do not believe there is a single member of the committee who could explain on the floor of the House intelligently the provisions which are waived and their legal effect. Is it not a dangerous practice to wipe out with one fell swoop existing legislation which has been on the statute books for years to protect against abuses?

But the main purpose of this act is to set up an information service for radio, news, and motion pictures, to be disseminated all over the world. The Congress attempted to do away with the OWI in peacetime, but under this bill not only the remnants will be saved but there will be again authorized a full-grown peacetime propaganda and information service.

Under this act it will be proposed to have in this portion alone, by July 1, approximately 2,600 people employed, classified as follows:

Short-wave broadcasting-----	850
Staff in the Department of State handling both information and cultural-relations work-----	700
Staff in the American Embassies and consulates abroad (400 officers, 120 clerks)-----	520
Information staff attached to the United States Army in Germany, Austria, and Japan-----	500
Total-----	2,570

Now, this service will either be a propaganda service, a factual service, or a combination of the two. Undoubtedly it will be the function of this Department of Information to see that the peoples of other countries understand United States foreign policy, and as far as possible sympathize with it. This will be a difficult task indeed. Before you can make other peoples understand our foreign policy we must avoid a weathervane policy. Before you can ask someone to stand behind and support a program you must stand still long enough for him to be able to do so.

Nevertheless, to obtain the proper sympathy for our foreign policy the State Department will necessarily engage in a program of propaganda. Anyone who is familiar with psychological warfare and the techniques used therein, knows they are neither necessarily true or necessarily false. The object is to mobilize a person's emotions in such a way they will dominate his reason. I do not mean by this that by doing so there would be any evil design, but do you believe for one moment if the State Department has a positive policy on some important issue affecting the foreign field, and there was controversy over this issue in Congress, that as much information would be sent abroad in opposition to this policy as would be sent in favor of it? It seems obvious this would not be the case but that the information disseminated would necessarily be weighted in favor of the State Department's own policy. This is the reason we must not have the Government enter into competition with private news agencies who

are so careful to maintain standards of complete objectivity in the handling of news.

But if it should be the case, instead of propaganda being sent out as information from this country that only factual information is used, are we not invading the legitimate field of the regularly established news agencies by setting up such an information service? Certainly we should not sponsor any agency which would enter into direct competition in this field.

What is there in this bill which limits such service so there would be assurance it would be facilitative and supplemental to the normal currents of private interchange through the medium of the press, radio, camera, and screen?

While I believe there are certain legitimate programs in the international field in which this country should engage so it could properly carry out its responsibilities in the postwar years, yet I am convinced that in authorizing such programs there should be very definite limitations and conditions which would prevent our Government from competing with privately established institutions, industries, and other enterprises.

Mr. Chairman, let us look before we leap. Let us not establish a world-wide WPA with Uncle Sam playing the role of Santa Claus.

(Mr. CHIPERFIELD asked and was given permission to revise and extend his remarks.)

Mr. TABER. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, this bill altogether carries enormous sums of money because it carries as permanent appropriations an estimated \$5,000,000,000 for interest on the public debt, nearly \$600,000,000 for sinking funds, \$1,500,000,000 for tax refunds and customs draw-backs, and \$2,800,000,000 for trust funds. The regular operating fund involved in the bill is \$1,604,000,000.

I find I was wrong when I interrupted the gentleman from Indiana on the total amount involved and in the first statement I just made. It should have been \$11,600,000,000 for the gross total. I shall correct that figure as I get to it.

There are presented here proposed cuts of Budget estimates of \$29,660,000. Of these, \$10,508,000 came out of the Treasury Department and \$19,000,000 out of the Post Office Department.

There are some sores in the Treasury Department that are not cleaned up. I am going to talk about some of them because I think the attention of the House should be called to them. Their is, first, the Division of Research and Statistics headed by Doc Haas, the pay-roll expert in the Treasury Department. Doc, you know, likes to be on a good many pay rolls. We have him down now to two pay rolls, namely, the Division of Research and Statistics and the Bureau of the Public Debt. The worst trouble with that is that with an expenditure over-all of \$350,000 or \$400,000 the statistics he gets out are none too dependable. He used to be on two or three other pay rolls. Frankly, I believe that efficiency in the Treasury Department would be promoted if the outfit were abolished, because I have seen many cases before the Com-

mittee on Ways and Means and before our own committee where their statistics did not hold up.

There is another sore right in the office of the Secretary of the Treasury that has only partially been cleaned up. That is their publicity set-up. You know these Government publicity agencies are a menace to the agency that they are in. If these people themselves would get up their press releases and that sort of thing and get them out, it would take less of their time in a long run, because they would not have so many questions to answer and so much explaining to do. There would not be so everlastingly many items put out which they have to explain afterward. I do not know, but I think the whole publicity picture in the Government is terrible. For instance, we can all remember that press release of General Eisenhower, which was put out right around Christmas, which not only caused him a whole lot of trouble, but caused all of us here in the House a great deal of trouble in connection with the discharge of men from the armed forces. It was an ill-advised statement, and very poorly done, and gave wrong impressions. That is what we get when people who know nothing about the job and have nothing to do but publicity get out statements. Here in the Secretary's office there is a set-up of \$59,000 for publicity. We took \$20,000 out of that item. Personally, I would have liked to have seen the whole of it out. But that could not be done at one time. I hope that we cannot only do that another year, but that we will be able to clean that whole picture up all through the Government. Perhaps the most notorious offender along publicity lines is the OPA. They spend millions of dollars for propaganda, and the result of that propaganda is misinformation. I do not know how people in responsible positions can stand it to have folks get up interviews and statements to give out for them who do not have the slightest comprehension of what the job is about. When you have that going on all through the Government it is absolutely no wonder that the people back home have a misconception of what the situation in the Government of the United States is. The taxpayers are paying for that false impression. It is about time we came to an end of that way of doing business.

What pleases me most about this bill is the fact which appears on page 2 of the report. The way we have set up our operating expenses we are going to require nearly \$40,000,000 less to operate the Treasury Department in the fiscal year 1947 than in 1946.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mr. MAY. Mr. Chairman, will the gentleman yield for a brief statement and a question based on what I am going to say?

Mr. TABER. I yield.

Mr. MAY. The gentleman knows that during the war a great many temporary war agencies were set up in the Government which were heavily manned with unprecedented numbers of employees.

Mr. TABER. That is true.

Mr. MAY. I have noticed that when Congress passed the bill to authorize the President to reorganize the Government so as to eliminate bureaucracy and unnecessary expenses, they have adopted the practice downtown of finding some bureau that has been set up with several thousand employees and has performed its functions and is no longer essential, instead of just leaving those employees out and letting them seek employment in industry, they transfer them to some other larger bureau or agency. There they are paid the same amount they would be paid if they were in the temporary agency.

Mr. TABER. Do they not generally get a raise when they are transferred?

Mr. MAY. In a great many instances; yes. They have some kind of an arrangement with the Civil Service Commission by which they will lop them into an old agency in a new position by the wholesale.

Has the gentleman's committee given any attention to that problem by way of cutting appropriations so that they will have to reduce the number?

Mr. TABER. We have tried to do that in this bill just as far as we could.

There is one other thing in the bill that I am rather proud of. If the gentleman has the report and will turn to page 20, he will see there a schedule of items contained in the bill. If the gentleman will look in the last column, he will see that cuts were made below the Budget estimates. The gentleman will notice that, with the exception of a very few items, there was not a single item that was not cut.

I think on the first two pages there are three items that were not cut: Printing and binding, a \$28,000 item in the Secretary's office; the Treasury building operating force which covers the janitors and the cleaners; and distinctive paper for United States securities. It was absolutely impossible to cut these three items. Every other item on those two pages was cut; there is not a single item of increase.

As I told the gentleman, there are some things I have not been able to accomplish in this bill, such as that Research Statistics outfit which is absolutely no good—the one with the Treasury pay-roll expert on it.

Mr. MAY. Mr. Chairman, may I ask the gentleman another question?

Mr. TABER. Yes.

Mr. MAY. I agree with the gentleman that practically every one of the items referred to in the last column carries a minus sign which means they have been reduced; but there are a lot of plus signs in other columns, and at the end of the last column there is a plus of \$272,203,054. Does that mean that the bill taken as a whole is that much in excess of the Budget Bureau estimate, or what?

Mr. TABER. It means that the whole bill is that much in excess of the appropriations that have so far been made for 1946. The reason this situation exists is because the appropriations for 1946 were made prior to the passage of Public Laws 106 and 134 increasing the pay of the civilian employees of the Govern-

ment and the pay of the post-office employees.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

The total estimate for those items which will have to be taken care of in deficiency bills—and those figures all appear on page 2—total almost \$280,000,000 in estimates that are pending at the present time before the Congress to cover those items almost entirely—they have to be taken into consideration before we take into consideration the increase of \$272,000,000 or whatever it is that the bill is above the appropriation for 1946.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I think possibly I should call attention to the fact that the figure the gentleman from Kentucky used, \$272,000,000 with a plus sign, was a figure that applied to the increase of permanent and indefinite annual appropriations rather than to the operating expense fund.

Mr. TABER. That, of course, includes a two-hundred-and-fifty-million-odd dollars increase for interest on the public debt alone.

Mr. CASE of South Dakota. And \$345,000,000 for the Federal old-age and survivors insurance trust fund.

Mr. TABER. Yes.

Mr. CASE of South Dakota. The net totals for the Post Office Department and for the Treasury Department in operating funds show a minus \$10,000,000 for the Treasury Department, and a minus \$9,000,000 for the Post Office Department as against Budget estimates.

Mr. TABER. That is right. If you will look on page 2 you will find the Treasury shows a minus of almost \$40,000,000, as compared with the 1946 appropriations as they will be after the increased pay bills are covered.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. The fact is that both the Treasury and Post Office Departments do show an increase over the 1946 appropriations, this increase being largely due to the pay increases the gentleman has cited?

Mr. TABER. Yes. That will have to be covered by deficiencies later.

Mr. KNUTSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. KNUTSON. Is there any foundation for the stories that we get to the effect we are letting contracts for post-office buildings without submitting them to competitive bidding?

Mr. TABER. When the bill is being read for amendment and we get to the Fourth Assistant Postmaster General's office I will have information indicating that in at least one particular case bids were advertised for and rejected. Then they chased around for 2 or 3 months and finally let a contract without any bids to

somebody else. There were four bids submitted in all, including the one to whom the contract was let. The one to whom the contract was let was an original bidder, but he bid more money than the low bidder. None of these bidders complied with the specifications in the original advertisement, including the one to whom the contract was let without competitive bidding. I will get the details out here when the bill is read for amendment.

Mr. KNUTSON. Is that not contrary to law?

Mr. TABER. I think it is. I do not think they have the authority to do that but I would not want to answer that until the bill is read for amendment.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself five additional minutes.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mrs. ROGERS of Massachusetts. Did the committee grant all that the Bureau of Narcotics asked in the way of appropriations for inspectors, and so forth? I am very much interested in stopping the misuse of barbiturates, which are doing great damage to the high-school boys and girls today. I am told that in the veterans' hospitals the patients are given barbiturates to keep them quiet. This is a very dangerous drug-forming habit and I am wondering if some of the money could not be used for the control of the use of barbiturates.

Mr. TABER. We gave the Bureau of Narcotics an increase of \$100,000 above their this year's appropriation.

Mrs. ROGERS of Massachusetts. To be expended chiefly for inspection and supervision?

Mr. TABER. It will be used entirely for that purpose.

Mrs. ROGERS of Massachusetts. Is there an appropriation in this bill for operations under the pure food and drug law?

Mr. TABER. Oh, no; that is not in this bill at all.

Mr. MAY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. MAY. I notice since I have been in Congress that we vote deficiency bills year after year. That, as I understand it, derives from the practice of bureaus obligating themselves for funds beyond the fiscal year for which the appropriation has been made in excess of the amount of the appropriation. Are they still carrying on that kind of practice downtown in these various executive bureaus of obligating the departments with contracts running beyond the fiscal year where it involves an increase that you have to consider?

Mr. TABER. The abuse of it comes largely in the spending of funds in the early part of a fiscal year in excess of a proper apportionment of the funds. In my opinion these funds should be apportioned so that not more than one-twelfth could be spent in any one month,

because if you do not do something of that kind a lot of them, although it is in violation of the law, will go ahead and create a situation where they do not have money enough to carry on their activities in the last months of the year, and they will come back here and ask for a deficiency appropriation. They cannot let contracts without having the money in full providing for the amount of the contracts.

Mr. MAY. In other words, what they do is to spend more money in the early part of the fiscal year than they should spend, and they run out of money for the latter part of it, and then come back to Congress and ask them to make it up.

Mr. TABER. That is one of the games. Then they have another game that is bad.

Mr. MAY. I think they ought to stop those things, and I think the Committee on Appropriations is the one to do it.

Mr. TABER. They have another game. They will save a little money as they go along, and then in the last month they will raise the salaries of all of the chief officers of the Bureau involved so that there will be an extra burden on the appropriation the next year. That is a regular trick. They will not come before the committee and justify that increase, but they will sneak it in.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I am very much interested in the reduction which the committee proposed of \$343,000 in the Office of the Secretary of the Treasury on the cost of handling penalty mail. I wonder if the gentleman would say something about how he was able to accomplish that saving?

Mr. TABER. Well, there is only one way to do it, and that is to stop these people from sending out a lot of foolish stuff.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself 10 additional minutes.

I came prepared for that question, although I did not know it was going to be asked. Can you see that folder? That is a product of the Treasury Department which was sent out. That has been broadcast all over. It is the most foolish thing you ever saw, just as if anybody did not know enough to get out an income-tax statement and make a return, without getting up a lot of such posters as that and sending them out, costing thousands and thousands of dollars. You cannot get that kind of a thing out and broadcast it all over the United States for nothing. That is one of the things that this \$300,000 cut was aimed at. They not only get up these things to put out and pay a lot of artists in connection with it, when they are absolutely worthless and will not be effective and will not serve any useful purpose, but they load up the mails with that sort of thing. This penalty-mail statute is valuable largely as a deterrent. It will not actually stop half of the propaganda that ought to be stopped.

This penalty mail business is not only \$343,000 below the Budget but it is \$1,300,000 below the current-year figure, indicating that the Budget had an idea that they needed to have a little halter put on them. I am hopeful that a lot of this penalty mail business can be stopped.

There are one or two things in connection with the post-office situation about which I should like to talk. We are in a period of declining post-office revenue. On page 10 of the report that is taken up. For the last 4 months, according to the report, there has been a decline in revenue. There was a decline in September of 6.50 percent, in October of 9.11 percent, in November of 3.10 percent, and in December of 7.10 percent, and I understand that the figures for January show a 7.35-percent decline.

Mr. LUDLOW. That is a preliminary figure, based on reports from the 208 largest offices.

Mr. TABER. That, of course, is subject to correction. It may run larger. This indicates that the volume of mail is going down. It indicates a much larger decrease in the volume of mail annually than the percentage shows. The percentage is the dollar revenue. We all know there will not be over 50 percent, yes, there will not be over 25 percent as much soldier mail handled in the coming fiscal year as there is in this, and not more than 25 percent this year as compared with last year, because the number in the armed forces today is presently only about 50 percent of what it was at the peak on the 1st of July. The volume of free mail will be very, very largely reduced.

With that picture in mind, of course, it was impossible to provide as many clerks and carriers and rural carriers and others as the Budget has estimated. There were increases in the volume of mail in sight, according to the Post Office Department, at the time they submitted their figures to the Budget first in September, so we had to go over those figures and make certain reductions, which appear in the bill. There is no sense in loading up the Department with a great lot of help that it cannot use.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I am interested in getting the gentleman's interpretation of the silver paragraph on page 25. As I read it, it authorizes the Secretary of the Treasury to sell or lease for certain purposes any silver held or owned by the United States at not less than 71.11 cents per fine troy ounce. Then the proviso says:

Providing at all times the ownership and possession or control in the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

That is, at what valuation would the silver be computed to determine the monetary value equal to the face value of all silver certificates outstanding—at what price per ounce?

Mr. TABER. The statute in force at this time, according to my understanding, requires silver to be computed for the purpose of backing a silver certificate at \$1.29 per ounce. On the other hand, the market price of silver, without the Government purchase, would probably go down to 25 or 30 cents at the present time. This permits the sale at 71.11 cents, which is the price that I understand the Government is currently paying.

Mr. CASE of South Dakota. Is not the effect of this provision to reduce the actual value of a dollar silver certificate in the ratio of 71.11 cents to \$1.29?

Mr. TABER. No, because the silver certificate would not be affected in any way by this language.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HILL. It is my information that the world price of silver today is considerably higher than 71.11 cents. Is that a fact?

Mr. TABER. I understand it is not. I understand that the world price is only maintained at near 71 cents because of the statute which we have which requires the Treasury Department to go into the market and purchase.

Mr. HILL. I think the gentleman is mistaken on that because I am certain that the price of silver in the world market is much higher than 71.12 cents.

Mr. TABER. We will find out so that we will know when the bill is being read.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. TABER. Mr. Chairman, I yield myself another 5 minutes.

Mr. HILL. Mr. Chairman, will the gentleman yield for another question?

Mr. TABER. I yield.

Mr. HILL. It seems to me from a reading of this provision that if we are going to sell, that is, if the Government is going to sell silver to the manufacturing concerns for 71.12 cents and if that same silver is worth \$1.20 or \$1.29 per ounce and if it is put into the Treasury and we issue silver certificates against it, are we not absolutely losing the difference between 71.12 cents and \$1.29? That is the way we figured mathematics when I attended school.

Mr. TABER. Of course, I am afraid that is not correct and I must tell the gentleman why. The reason is that for monetary purposes the price of silver is \$1.29, which is a purely artificial price and not an actual price. That has been the law for a long time. Frankly, I do not believe it is a good law, but this provision, may I say to the gentleman, requiring the sale of silver is very much in the interest of the silver States. I am going to give you the picture so that you will understand it because I do not want you to be confused. I want you to know what the picture is. If we do not carry this provision, it is going to be absolutely impossible under the conditions as they exist at the present time for silversmiths in this country to go on manufacturing silver. That means that the silversmiths outside of the United States will be able to get silver at a cheaper price than the

silversmiths here can get it, and the silversmith industry in the United States will be wiped out, and the market for domestic silver, which is the mainstay for these silver producers, will be wiped out and gone. If you want to put those people who are keeping you alive, out of business, then you should oppose this provision. Otherwise you should be for it.

Mr. HILL. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. HILL. Is the gentleman informed as to the price these silversmiths are going to charge us for this silver material or products we are going to buy? Are they going to bring them down so that we will get the benefit of the 71.12?

Mr. TABER. They cannot figure any more into it than the 71.11, under the OPA.

Mr. HILL. Does the gentleman know any silversmith on the public pay roll to whom we are paying a pension?

Mr. TABER. No; not unless they are under the Social Security Act.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. SMITH of Ohio. I should like to answer the question propounded by the gentleman from South Dakota [Mr. CASE]. The gentleman from South Dakota asked whether the sale of this silver at 71.11 would not reduce the monetary value of silver. The thing is a little ridiculous when you stop to reflect that here are two prices of silver. If the Treasury can buy silver at 71.11 per ounce, is that not what silver is worth?

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield to me?

Mr. TABER. I yield.

Mr. CASE of South Dakota. If the Treasury has silver on hand, it can issue silver certificates and get \$1.29 for an ounce of silver in the silver certificates. Why should the Treasury sell it for 71 cents when they can get \$1.29? Why would it not be better to issue silver certificates and use that extra 53 cents toward reducing the public debt?

Mr. TABER. You have to get it into circulation. It is hard work.

Mr. SMITH of Ohio. Will the gentleman yield further?

Mr. TABER. I yield.

Mr. SMITH of Ohio. That statement by the gentleman from South Dakota really bypasses any real answer. You would go right into the inflation proposition. That is what you are advocating here—inflating the value of the currency. In other words, you are advocating a debasement of the currency. The gentleman's question really is, Would it not be better to debase the currency than to sell silver at the price the Treasury pays for it?

Mr. CASE of South Dakota. You are debasing silver certificates when you are selling it at 71 cents rather than \$1.29, but the gentleman from Ohio is an ardent advocate of reducing the public debt, and I think we could use the silver for its best value in that regard.

Mr. SMITH of Ohio. Not with printing-press money.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield for a question?

Mr. TABER. I yield to the gentleman from Arizona.

Mr. MURDOCK. The gentleman asked a moment ago about the price of silver on the world market at 71.11. I would like to ask how much silver has been purchased at that price within the last year. It is my impression that that is not the world price. There is a great deal of silver in Mexico right now that you cannot buy for 71 cents an ounce.

Mr. MARTIN of Massachusetts. Mr. Chairman, will the gentleman yield to me?

Mr. TABER. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Let me say for the information of the gentleman that up to a few months ago you could buy silver in Mexico for 40 cents an ounce.

Mr. TABER. That is what I figured it was.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. WHITE. If you can buy silver on the world market for 71.11, why do these jewelers come in here with this bill to make a raid on the Treasury?

Mr. TABER. Because they cannot buy it, under the law, anywhere else.

Mr. WHITE. Another question. There are 300,000,000 ounces of silver lend-leased to England. Does the gentleman know what England did with that silver and what price it is today?

Mr. TABER. No.

Mr. WHITE. I will tell the gentleman for his information, that the English have coined and put most of it into circulation at a higher price than our dollar value of silver at 1.29. You can get those figures at the Treasury if you will ask for them.

Mr. TABER. We all expect our friends to make money out of their transactions.

Mr. WHITE. Not at our expense, I hope. I think the gentleman is a proponent of economy.

Mr. TABER. We gave it to them, did we not? Did we not give it to them?

Mr. WHITE. They will probably give it back to us and demoralize our market as they did in 1929.

Mr. TABER. The gentleman does not expect that, does he?

Mr. WHITE. Let me tell the gentleman something else: If he will compare the prices of silver throughout the world, and particularly India, he will find it is around almost a dollar an ounce—the world market for silver. There is a brisk demand all over the world; and these jewelers want to come in here and make a raid on the Treasury; and the gentleman would let them. The gentleman is running counter to all his pronouncements here on the floor on economy and protecting the United States Treasury.

Mr. TABER. I want to give the people of the United States half a chance, instead of wiping out the silver industry, as the gentleman would want to do.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. SMITH of Ohio. I have a clipping here on the world price of silver by Handy and Harmon. They give it at 70½ cents per ounce.

Let me point out that there is no real world market for silver today because of the fixed price which our government and other governments are placing upon silver. There is no such thing as a free world market of silver.

Mr. TABER. Of what date is that figure, if the gentleman would tell us?

Mr. SMITH of Ohio. This is dated February 11.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield for a question?

Mr. TABER. I yield.

Mr. MURDOCK. If that is the world market price for silver why do they not but silver abroad and take advantage of the price instead of buying it from the United States Treasury?

Mr. TABER. They are not allowed to.

Mr. MURDOCK. The law could easily permit it.

Mr. MANSFIELD of Montana. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MANSFIELD of Montana. The gentleman said something about the difficulty of getting silver into circulation. I have here in my hand a clipping from a newspaper in Montana which states that at Wilkesburg, Pa., a few months ago a gentleman called at the bank requesting that a check he had be cashed in silver dollars. The teller said: "Sorry; I am allowed to let you have only one."

It would appear that there is no desire on the part of the banks of this part of the country to help keep and bring more silver into circulation so that we can have that money as backing for our currency.

Mr. TABER. I do not believe very many banks in this part of the country have any demand for silver dollars.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. LUDLOW. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. Brooks].

Mr. BROOKS. Mr. Chairman, I asked for this time to say a word in reference to the air-mail service. I am interested in what is now being done, but I am especially interested in the future plans for the air-mail service.

As you know, several months ago a group of Congressmen from the States of Texas, Arkansas, Mississippi, and Louisiana petitioned the Civil Aeronautics Board asking this Board to speed up its findings and its decision in reference to the expansion of aeronautics in the United States, and especially in reference to the lower Mississippi Valley. During the past number of months the Civil Aeronautics Board has held hearings in many sections of the United States with the thought of expanding the air transportation throughout the country. It held hearings in New England, out on the Pacific coast, in California, and in a number of other sections of the country, including the city of New Orleans, La. They are accumulating, I am told, a vast amount of data on aviation expansion.

Mr. Chairman, it seems to me, however, they are moving very slowly in this respect. I went over to see some of these officials the other day to discuss this matter with them, and made a special appeal that the Civil Aeronautics Board speed up its work and its decisions so as to take advantage of the possibility of using some of the surplus Army and Navy equipment which might be available for air service at the present time.

In spite of our efforts, it seems it is going to require months, maybe years, to get these decisions out of the Civil Aeronautics Board. In the meantime many airports throughout the country are lying in disuse. I have had occasion to fly over various parts of the country and I have seen these abandoned Army airports, I have seen other local ports not in use, and it seems to me the program could be speeded up, and at least the airports which have been built during the war, now abandoned, could be put to some good commercial use. I know of a number of applications pending to use the airports which have been abandoned for transportation purposes. These applications could certainly be acted upon promptly, permitting our people to use the facilities at hand and permitting them to fly and the mail to be carried.

I am especially interested in having air-mail service extended to the smaller towns. It is a matter of common knowledge that last year the air-mail service produced a surplus revenue of \$60,000,000, which shows that the air-mail service in the past has been on a most profitable basis. These towns, not merely the cities that presently have air-mail service, but the small towns and villages throughout the country are likewise entitled to air-mail service. Some of these towns can be given this service even before the local airport is built. If air-mail service were extended to some of the small towns in my area in Louisiana, there would be a difference of 24 hours in the service between Washington and these towns in my district.

Mr. MURDOCK. Mr. Chairman, will the gentleman yield?

Mr. BROOKS. I yield to my distinguished friend from the west.

Mr. MURDOCK. I am heartily in accord with the plea the gentleman is making. He is presenting a good substantial statement. My area is far different from the State of Louisiana. We not only could use the airports and airfields that have been abandoned for air-mail service, but we ought to extend the pick-up service so that we can furnish air-mail delivery and gathering of the mail from the back doors of America, in the mountain districts where the inaccessible spots are located, and we could do that in cooperation with the gentleman's plan.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. LUDLOW. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. BROOKS. Mr. Chairman, the gentleman from Arizona indicates by his statement that he has given thought to this matter. We who come from the South and the Far West, like the gentleman does, realize the tremendous advantage of air-mail service in handling busi-

ness and in governmental matters. I may say that in the interest of good government, in the interest of good democratic and republican government, and I use those terms in the generic sense, air-mail service means a great deal. It means bringing the outposts of the country close to the seat of government; it means bringing your Representatives close to the people, putting them on notice more quickly of things that go wrong back home, and giving them a readier means of correcting the trouble.

Mr. Chairman, we are rapidly approaching the time when all first-class mail ought to be carried by air. With the experience of the past showing a tremendous profit in the air-mail service, the carrying of the mail can be further expanded and we should reach the point where first-class mail, wherever it is sent in the United States, will go by air. This will insure fast delivery, with resulting benefit to our people. I venture the statement that the Postmaster General is in harmony with the thoughts that I express in sending all first-class mail by air.

If the Civil Aeronautics Board can proceed with its decision with a little more dispatch, we will find aviation reaching out commercially in this country into the remote sections, to the small villages and hamlets, thereby giving our people the advantages of close and quick contact by reason of communications, which they are entitled to. My purpose in making these few remarks today is to urge upon the Civil Aeronautics Board to speed up its hearings and its decision. I realize that in a country the size of the United States, there are tremendous clashes and complications, and ramifications. I realize that it is not an easy job for that Board to sit in California and after learning the local situation to move then in a few days to Florida or on the Atlantic seaboard and take up hearings again. It is not an easy job to harmonize the whole thing into one great picture of commercial aviation on a national scale. Yet, it is a job that has to be done, and I hope it will be done with dispatch.

Mr. LUDLOW. Mr. Chairman, I yield to the gentleman from Texas [Mr. PATMAN] such time as he may desire.

(Mr. PATMAN asked and was given permission to revise and extend his remarks.)

[Mr. PATMAN addressed the Committee. His remarks appear in the Appendix of today's RECORD.]

Mr. CANFIELD. Mr. Chairman, I yield to the gentleman from Washington [Mr. HORAN] such time as he may desire.

Mr. HORAN. Mr. Chairman, I am very much opposed to this rider on page 25 of the bill, which presumes to duplicate action already taken by this House in regard to silver.

This rider is, of course, legislation on an appropriation bill, but a rule waiving all points of order has been granted. I opposed both this rider and the request for the rule in committee, and I hope the Committee of the Whole House, when the bill is read for amendment tomorrow, will take corrective action, first, because this action is taken without hearings or

a proper weighing of facts by the committee, is therefore snap judgment; and, second, because it duplicates action already taken by this House when H. R. 4590 passed this body on December 19 last.

This rider is, therefore, both hasty and unnecessary. It should be stricken from the bill.

(Mr. HORAN asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, I take this time to make a few observations with respect to this appropriation bill and with respect to appropriation measures in general. First, I do want to commend the chairman of the subcommittee, the gentleman from Indiana [Mr. LUDLOW], as well as the ranking Republican member of this committee, the gentleman from New York [Mr. TABER], for the diligent work that has been done on this particular measure. They are both outstanding Members of the House deeply interested in the welfare of our people. I want to say, however, that I think it is extremely unfortunate that a bill that appropriates as much as \$11,000,000,000 directly or indirectly should come to the floor of the House with so little notice. I know it is the way appropriation bills are brought before the House. This is not an exception. Here is a bill that I think comprises some fifty-odd pages, with about 35 or 40 pages in the report, and hearings involving some 1,200 pages, yet the Members of the House do not have a chance to become familiar with the contents of this legislation until only a few hours before it comes to the floor for consideration. I realize we are expected to depend largely upon the good judgment of the membership of the subcommittee who hold these hearings as well as the committee itself, to whom the report is made.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the distinguished gentleman from Indiana.

Mr. LUDLOW. I appreciate very much the gentleman's kind personal reference, and thank him, but it is a matter of fact there is only \$1,604,000,000 in this bill that is subject to any kind of control. All the rest of it up to the total the gentleman mentions is continuing appropriations, over which we have no jurisdiction at all.

Mr. REES of Kansas. It is fair, I believe the gentleman will agree, to call the attention of the House to the fact that we are spending, after all, \$11,000,000,000 when we put through this legislation. The gentleman says we control only \$1,604,000,000; after all, that is a considerable amount.

Mr. LUDLOW. Exactly the same appropriation procedure has been followed on this bill as on all other bills. It is reported one day and then considered the next day. Everybody has a chance to read it.

Mr. REES of Kansas. I agree that it is the method that has been followed, but I do not believe it is a procedure that

ought to be followed. I think legislation of this importance should have much more consideration and the Members and the country should know about it before it is considered. I am talking about the procedure generally; I will say to the gentleman, that I am not directing my remarks at him not at all. I think the gentleman is inclined to agree with me.

Mr. LUDLOW. Does the gentleman have in mind a longer period, then, between the reporting of the bill and the taking up of the bill on the floor?

Mr. REES of Kansas. That is what I have in mind.

Mr. LUDLOW. That is a matter that might well have attention, I think.

Mr. REES of Kansas. Members of the committee have spoken of the cuts that have been made here and there. I commend the committee for having made cuts where the bill has been trimmed down in some places as against the amounts asked for by the Bureau of the Budget, but let it be understood that you have agreed to spend even under this bill some \$241,540,875 more than you spent last year. I think that should be recognized. One of the reasons given for it is an increase in salaries of employees in the Federal Government.

Mr. LUDLOW. Mr. Chairman, will the gentleman yield further?

Mr. REES of Kansas. I will be glad to yield for a correction if I am incorrect in my statement. I am looking at page 33 of the committee report, where it says, "Grand total, titles I and II," and there is a plus sign before the figure \$241,540,875.

Mr. LUDLOW. Public Law 106 enters into that. On a comparable basis this bill carries \$64,395,000 below the 1946 appropriation. We cut the 1946 appropriation for the two departments by over \$64,000,000, on a comparable basis.

Mr. REES of Kansas. I am talking about your own figures, shown in the table included in the committee report.

Mr. LUDLOW. The table is not entirely obvious on its face. It does not make allowance for the Pay Act. When you place the comparison on a strictly comparative basis, this bill is nearly \$65,000,000 lower than the appropriation for the fiscal year 1946.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CANFIELD. Mr. Chairman, I yield five additional minutes to the gentleman from Kansas.

Mr. REES of Kansas. The gentleman has just stated that it does not take into consideration the Pay Act, but we must admit that we are spending more money than we spent before. Of course the Pay Act does increase the cost of the bill. We are spending more money than we spent during the fiscal year 1946, according to the committee's own figures.

Mr. LUDLOW. You spend \$65,000,000 less in 1947 than in 1946.

Mr. REES of Kansas. Does the gentleman mean this is all the money we are going to spend for these departments during the fiscal year?

Mr. LUDLOW. On a comparable basis it is less in 1947 than in 1946 by \$65,000,000.

Mr. REES of Kansas. I am just taking your own figures here.

Mr. LUDLOW. The table to which the gentleman refers does not take into consideration the differential on account of the Pay Act.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Ohio.

Mr. SMITH of Ohio. In other words, there is an absolute increase in the amount?

Mr. REES of Kansas. I cannot see it any other way. It is right here in this bill. I want to call your attention to two or three items under "Salaries and expenses." Look on page 22, for example. We have here under Customs Service, and, of course, whether you should spend the money or not is another question, but you say here you are spending this year an increased amount compared with the 1946 appropriations of \$5,232,000. You have increased it over the 1946 appropriation \$5,232,000. You have put in the next column that the increased cost of the Pay Act is \$1,548,000. So you are actually spending under that particular item more for expenses and more for help in the amount of \$1,548,000.

Mr. LUDLOW. The gentleman is correct. In certain offices we have to spend more, and in certain offices we spend less.

Mr. REES of Kansas. I am talking about this particular item, Mr. Chairman.

Mr. LUDLOW. The figures I gave the gentleman were the over-all figures for the two departments which are \$65,000,000 less than in fiscal year 1946.

Mr. REES of Kansas. All right. What I want to say is if you go through this report and examine it carefully, you will find that we are not carrying out policy that you have heard so much on the floor of the House about cutting down the expenses of personnel in Government. You will not find very much in this particular bill or in the bill that came up last week where cost of personnel is reduced. Many Members spoke on the floor of the House about operation of the Government by bureaus and about the tremendous number of people we have on the pay rolls and all that sort of thing, but up to this time the Committee on Appropriations has not done very much about it. As a matter of fact, if you examine the Budget report and the Budget report is not complete, that it not only asks for as much money as before for personal service but for even more funds. The Bureau of the Budget does not cut out very much in the personnel in government. The gentleman points out reduction in the over-all picture, but if he can show me where he and his committee have cut down the personnel employment in government so far as this bill is concerned, I would like to have him tell approximately how many individuals the gentleman thinks will be cut from the pay roll because of this particular piece of legislation. Maybe it should not be done. I am asking whether he has done that sort of thing and, if so, where?

Mr. LUDLOW. I am glad the gentleman expresses doubt as to whether that

should be done because these two departments are service establishments and of all the departments of government lend themselves less to a reduction of personnel. May I say further to the gentleman, as he well knows, the members of our subcommittee belonging to this party are among the very best cutters in the House of Representatives. They do not allow anything to remain uncut that should be cut. This bill comes to the House as the unanimous report of the committee.

Mr. REES of Kansas. I am glad that the gentleman from Indiana, the distinguished chairman of the subcommittee, is giving credit to Members on my side of the House for paring down the expenses of government. I am sure he is in accord with my view that we need to do a lot of trimming.

Mr. LUDLOW. I surely do want to give a full meed of praise to the gentlemen on your side of the subcommittee, Mr. TABER, Mr. CANFIELD, and Mr. KEEFE. They and the entire membership of this subcommittee all believe in economy, and we have cut to the very bone, I am sure, every dollar that ought to be cut from this bill in the public interest. That is the way I feel about it.

Mr. REES of Kansas. I appreciate the gentleman's statement, but still I feel we should lay the whole thing on the line and show just how much expenditures have actually been reduced.

The CHAIRMAN. The time of the gentleman from Kansas has again expired.

Mr. CANFIELD. Mr. Chairman, I yield the gentleman one additional minute.

Mr. REES of Kansas. Mr. Chairman, the Committee on Appropriations does have a tremendous job, but I do feel that now is the time of all times to really cut to the core all the way down the line and pare down the expenses of government. It should be done under scrutiny of absolute needs, and a realization that we have an almost depleted Treasury.

Mr. LUDLOW. I believe that philosophy motivates the entire subcommittee as well as the three Members from the gentleman's side.

Mr. LUDLOW. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. MURDOCK].

(Mr. MURDOCK asked and was given permission to revise and extend his remarks.)

Mr. MURDOCK. Mr. Chairman, I want to register my protest, as did my friend on the Republican side of the aisle from the State of Washington, to the rider on page 25 of this bill. This concerns the sale of silver from the Treasury at about 71 cents per ounce.

I notice that the resolution which made this bill in order waives points of order against that one particular phase of the bill. I do not particularly object to such a rule on an appropriation bill, and less so on a revenue bill, because I do know that is the ordinary thing to get a gag rule on certain bills. However, as the gentleman from Washington pointed out, this rule permits a reenactment of a measure that passed the House on the

19th of last December. I am not exactly sure, the House having passed this identical measure on the 19th of last December, that I see why we should put it on an appropriation bill—as a rider in order to pass it in the House again. Of course, I do know that it will have hard sledding in the other body, and I presume there may be some advantage in repeating it in this bill.

I have been tremendously interested in and concerned about this matter of inflation. A great many people have been writing me saying, "Enact the Green bill, H. R. 4590." It took me quite a while to find out what they meant by the Green bill, H. R. 4590. I knew such a bill was introduced by Senator GREEN. I noticed it was introduced in this House by the minority leader from Massachusetts. I noticed that the people who asked me to support that measure said, "We want to avoid inflation, and if the Government converts silver at the rate of \$1.29 per ounce into money it will be disastrous inflation." What a calamity. Talk about straining at a gnat and swallowing a camel! As if we did not have inflation already and from other causes, and as if we were not likely to have 10 times the amount of inflation in another way than this would permit.

Today I understand the Treasury Department has 240,000,000 ounces of silver that is not being used. Suppose you turned the entire 240,000,000 ounces into silver certificates at \$1.29 per ounce, it would amount to about \$300,000,000. That would be an awful blowing up of our monetary system, would it not? That would be ruinous inflation. Yet we have easily 10 times that volume of money blown up through the inflation of Federal Reserve notes. Now every time we add a dollar of paper money in Federal Reserve notes, that is based on an interest-bearing debt and increases a burden on someone.

I have heard a great many of my friends cry out against printing press money. They say, "Let us not have a flood of printing press money. God save us from printing press money." There are two kinds of printing press money, and I feel those friends are thinking of only one kind. They can both be bad in different directions.

There is one school of thought which says, "Let us not think of having Lincoln money." I should speak of it as Lincoln money, the day after Lincoln's birthday. What was Lincoln money? Of course I refer to Civil War greenbacks. In the midst of the Civil War when the bankers of the country were holding up Uncle Sam and charging usurious interest, Abraham Lincoln sanctioned the issuing of \$450,000,000 worth of paper money, known later as greenbacks—United States Treasury notes. It saved the country in wartime when the bankers would not do it. That was the only way he could finance the war at that critical juncture. Now, such a type of money is called printing press money. I admit the possible evils of it and the dangers of it, but we have gotten away from that now and have gone to another type of printing press money.

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. LUDLOW. Mr. Chairman, I yield three additional minutes to the gentleman from Arizona.

The CHAIRMAN. The gentleman from Arizona is recognized for three additional minutes.

Mr. MURDOCK. We have another kind of printing press money now. It is true Uncle Sam's printing presses are doing the printing. We are issuing bank currency, bank notes, Federal Reserve notes, and the sound money men say they have backing, they are backed by United States bonds. We financed World War II by backing Federal Reserve notes with United States bonds just as we used to back national bank notes by Federal bonds. They have got that backing yes, but I want to assure you that Lincoln's money had that same kind of backing, the credit of the United States. In the latter case of Lincoln's money it was without the burden of interest.

Mr. SMITH of Ohio. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I am glad to yield briefly to the gentleman from Ohio.

Mr. SMITH of Ohio. Is that all the backing that the greenbacks received, the credit of the United States?

Mr. MURDOCK. Later there was a hard money reserve; we had gold and silver back of the greenbacks too, and that is exactly what I am contending for today, if the gentleman will let me conclude on this important point.

I do not want an unsound paper currency, printing-press money issued either by the Government or by the banks. I believe the founding fathers knew what they were talking about when they made gold and silver the basis of our monetary system, and when they forbade any States using anything but gold or silver as legal tender for payment of debts. It is that hard money that I am pleading for, and we are getting away from it. Secretary Morgenthau and others have said we do not need gold in reserves; that gold has only a psychological effect in our monetary system; that if we want to reduce the reserve ratio from 40 percent to 25 percent, all right. We might just as well reduce it to 5 or 1 percent, or zero.

Mr. WHITE. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I yield.

Mr. WHITE. The gentleman is on a very interesting subject, the policy of the Government, and particularly the contrast between the Lincoln administration and the present administration. As a matter of fact, President Lincoln and his cabinet were far more considerate of the people of these United States and posterity when they issued Treasury notes, non-interest-bearing Treasury notes. Today every dollar of the \$29,000,000,000 bears interest that must be paid by the taxpayers. Is that right?

Mr. MURDOCK. That is exactly true of all bank currency—and most of our money today is bank currency.

Mr. WHITE. And as a further matter of fact, they never issued over a billion

of so-called greenbacks or Treasury notes at any portion of that period.

Mr. MURDOCK. If we took all of the 240,000,000 ounces of silver now in the Treasury and turned it into money at \$1.29 per ounce, we would have more than \$300,000,000, and have that money without paying bankers or anybody else interest in order to get it. Such a step would be in the direction of reconversion more than this proposal.

Naturally, I am anxious that silver be used in industry and I want to see expanding uses of it in industry. Silver was probably used earlier in the arts and trades in my section of the country than it was on the Atlantic seaboard. Prehistoric men in Arizona made great use of silver long before Columbus came to America. To this day the Hopi Indians of Arizona in their sky cities perched like eagles on a rock are living as their forbears lived centuries before America was known to white men, and they are now, as their forefathers were, skilled workers in silver, and their neighbors, the Navajos, are almost equally proficient as silversmiths and craftsmen. I want them to continue thus to work in silver.

I am anxious enough to have silver used in the industries here in our eastern cities, and I can see it plays a small part in the reconversion for which we all strive. I know there is a great demand for tableware, knives and forks, and spoons and plates. I do think that the new crop of babies, with which we are now blessed, would stand a better chance of surviving the ills of childhood and get a better start in life if each had, not necessarily a silver spoon but at least a silver cup. However, I cannot think that the proponents of this legislation are thinking about baby's health or its mother's convenience in demanding cheap raw silver for their industry out of the United States Treasury at the expense of the American taxpayer. I say let these silversmiths and jewelry makers get their silver where they can, from the mines that produce it, and let them pay what the law of supply and demand determines. We can more easily change any law or any OPA regulation that would bring such about and make it possible.

I have already explained my attitude toward the precious metals as a basis of our monetary system as the fathers decreed it in the Constitution of the United States. However, I cannot pass this moment by without a word concerning the great advantage which our Nation has today in this postwar period, because of the large stocks of precious metal which we are fortunate enough to possess. It pains me deeply that influential people will ignore the great advantage which this country has as a financial and monetary leader in the world and fail to see to what advantage that could be placed, if we put the proper emphasis upon the use of gold and silver in our monetary system. Today and for many years to come the whole world is going to be hungry, not only for food, but for goods, and especially for a sound medium of exchange with which to purchase goods,

a medium in which they can have confidence. The peoples of the world do not want paper money. They want hard money, and that is why the British Government has taken from us many millions of ounces of silver, every ounce that they could get from us, and coined it into coins at a rate far exceeding in value our \$1.29 per ounce. The British, the Australians, the Canadians, the South Africans, and the Anglo-Saxon leaders in India know very well what they are about. They know the kind of money their people insist on having, and will strive to obtain, while we look upon the white metal as merely fit for knives and forks and spoons.

Think of the last piece of silverware you bought. Assume that it is sterling. Weigh it, and you'll find that under the terms of this bill the silver obtained from the United States Treasury is at the rate of 50 cents and you paid for the finished product at the rate of 10 dollars. The spread is all of that and more, and yet to enable the poor manufacturers and dealers to get that spread of profit with this legislation you propose to sell that which is worth \$1.29 to Uncle Sam for 71 cents. You who favor this are certainly anxious to do the right thing by those who work in silver.

However, I cannot believe that all the pressure brought to bear favoring this type of legislation and providing for what to me is a raid on the United States Treasury is prompted by desire to help silversmiths and those that use silver in the arts and trades. I cannot believe that the anxiety to enact this into law is occasioned altogether by the new uses of silver in making delicate instruments and in high-class modern machinery, which has lately come about during this war. Well, what do I believe? I believe that some people want to eradicate silver from having any significant place in American money in order that some other kind of money may be used instead. Perhaps such are the chief backers of this legislation. If we no longer use as money the precious metals which our fathers knew and provided for its metallic backing, we can then use that superior type of bank-paper currency which causes somebody to pay interest on a bonded indebtedness for the privilege of having such a medium of exchange.

The CHAIRMAN. The time of the gentleman from Arizona has again expired.

Mr. LUDLOW. Mr. Chairman, I yield such time to the gentleman from Montana [Mr. MANSFIELD] as he may desire.

Mr. MANSFIELD of Montana. Mr. Chairman, on December 19, 1945, this House passed a bill, H. R. 4590, whereby jewelers and industrial users would be allowed to buy silver at 58 cents per ounce less than its actual statutory value. Why should we suffer this loss and thereby increase our indebtedness in this manner? Now H. R. 4590 is again before this body as a rider to the current appropriation bill now being considered. I can see absolutely no justification for this rider, and as one of four Members who voted against H. R. 4590, I feel that the silver provisions of this bill should be referred to the House Committee on Coinage, Weights, and Measures under

the able chairmanship of the gentleman from Idaho, Mr. COMPTON WHITE. There it will receive every possible consideration, and full and open hearings on this matter will be conducted.

We all know, Mr. Chairman, what silver means to the West and the great part it played in winning the war. If this silver measure passes, it is going to work a hardship on our small-mine operators and hinder our reconversion and recovery. I can see no need for our miners and small operators under such a price differential as is proposed in this measure, and I urge the House to think twice before acting on this measure.

I would much prefer the House to give its support to a measure on the order of S. 1728, introduced by Senator McCARRAN, of Nevada, and which has the following provisions:

First. An increase in the price paid by the mint for newly mined silver to its full monetary value of \$1.29 per fine ounce. Under the act of July 6, 1939, domestic producers are now receiving \$0.7111 per fine ounce.

Second. Repeal of the sections of the Silver Purchase Act of 1934, which—

(a) Imposes a tax of 50 percent on the profits made through the sale of silver bullion;

(b) Gives the Secretary of the Treasury, with the approval of the President, the power to regulate silver transactions, including exports and imports.

Third. The sale of silver to industry for manufacturing purposes. The silver is to be sold at not less than its full monetary value, \$1.29 per fine troy ounce.

Mr. Chairman, the silver which the Government owns should be put into circulation as money, which in turn will increase the value of our currency, give our dollars more solid backing, and reduce the amounts of bonds the Government must sell to pay for its operating expenses.

I cannot understand why this important silver legislation is being rushed through in this manner without full and proper hearings. It is my hope, and I shall fight to have it done, to refer this particular silver legislation to the Committee on Coinage, Weights, and Measures, where I know the gentleman from Idaho [Mr. WHITE] will give it his full attention.

(Mr. MANSFIELD of Montana asked and was given permission to revise and extend his remarks.)

Mr. CANFIELD. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. SMITH].

(Mr. SMITH of Ohio asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Ohio. Mr. Chairman, at Bucyrus, Ohio, located in my district, with a population of about 12,000, a strike is taking place at the Crawford Steel Foundry Co. This concern employs approximately 200 men. One hundred and thirty-two, which is a vast majority of the employees, signed a petition appealing to the management of the Crawford Steel Foundry Co. to permit them to return to work which they published in the local newspaper, the Bucyrus Telegraph-Forum, Monday, February 11, 1946. It reads as follows:

AN APPEAL TO THE MANAGEMENT OF THE CRAWFORD STEEL FOUNDRY CO.

We, the undersigned residents of Bucyrus and vicinity, constituting a majority of the employees of the Crawford Steel Foundry Co., who have been forced into idleness for the past 3 weeks by the steel strike ordered by persons whom we contend, cannot, and do not know, our local problems, renounce the CIO, and are hereby asking that the management of the Crawford Steel Foundry Co. open its plant and allow us, at the earliest possible date, to resume our respective jobs at what we consider to be currently fair and satisfactory wage terms.

We feel it is our constitutional right to work if we so choose to do—and we feel we are the best judge of our local needs in determining satisfactory wage terms.

We no longer wish to be represented by the USA-CIO.

We want to go back to work at once.

We ask the management to reopen the Crawford Steel Foundry Co. as soon as possible.

We are fully satisfied with our working conditions and our current wages.

We ask public support of our right to work.

Signed: Clayton Young, Donald Young,

William C. Miller, Clement Keiffer,

C. B. Russell, R. E. Lane, Harry

Young, Dick Morgan, Carl Morgan,

Robert Ison, O. G. Wenninger, W.

L. Neff, Adolph G. Zumbach, C. R.

Luke, A. O. Moxley, W. E. Krauter,

D. D. Cramer, Robert F. Faulk,

Robert D. Giosser, Fred Morgan,

LeRoy Rettig, Jess Hughs, Clay

Bodley, Woodrow Zeliner, Henry

Kelly King, Harry W. Slagle, Wil-

bur Stuckert, O. E. Hines, Charles

Ash, L. B. Thompson, Carl Phillips,

Conway Ramey, Jack Brady, Gray

C. Lake, R. O. Young, N. J. Steele,

Glen Batton, Charles Keckier, J. L.

McLaughlin, Earl E. Troutman,

George Himmenger, Harley W.

Jones, F. M. Dall, K. M. Aitvater,

Rudolph Drew, Robert Aitvater,

James Heffelfinger, E. C. Clabaugh,

Fred Smith, Merle Rowland, Rob-

ert Patchett, George Holzwart,

Wayne K. Chance, H. J. Warden,

Melvin Hancock, Jack Browning,

Howard Mollenkopf, Zearl Schind-

ler, Charles Hightower, Findley

R. McDonald, Myron Tobey, Everett

Shonk, Claude Vance, Steve

Crokier, Margie Schafstall, Frank

Rarick, Floyd Farquhar, Joseph

Katona, Melvin B. Harris, Louis

Bernard Wilson, Charles Gingery,

Stephen Petroff, John W. Boback,

Robert M. Shearer, John H. Row-

land, Harry W. Blank, A. W. Assen-

heimer Lester Kilger, Ercl Eddy,

Louis E. Katona, Carl Sauselen,

Richard Wilburn, Pete Thomas,

William Lewis, Edward Cottrell,

Dale S. Weston, Homer L. Rawlins,

Harry Richardson, Alfred V. White,

Pearl McDonald, John Wilburn,

Steve Galitza, William Phillips,

Louis Hetrick, Homer D. Swisher,

Eugene H. Liming, Ithei Charlton,

C. E. Sauselen, Dorsey Hammond,

W. M. Hamblin, Elmer Walker,

Herbert Bacon, Dempsey Thomas,

Kelly Bloomfield, David Pollock,

George Teynor, Richard Pollock,

Kenneth Gordon, J. C. Bowser,

Lyle Kirk, David Ahlefeld, F. L.

Tschanen, George McMonigai,

Lewis Boudinot, Jake Woolum,

John Invocato, Harry E. Howell,

Joseph Arnone, Roy R. Johnson,

William C. Dern, Stephen Surina,

James Rarick, Darrell Young, Wil-

liam Smith, Harry Shonk, Gale

McFarland, J. C. Fleishaver, Ken-

neth Turner, Harold Chandler, R.

C. Raybuck, Francis Edward Ore-

wiler.

Mr. Chairman, I am reliably informed that about 200 pickets from Lima, Mansfield, Shelby, Marion, and Bucyrus were on hand this morning at the plant, some of them arriving as early as midnight, to prevent these men from returning to their work, and that they virtually formed a blockade to accomplish their purpose. A group of the returning workers took one look at the picket force and decided not to try to enter the plant. The returning workers, who had huddled together in a group, were virtually surrounded by pickets. A veteran of the late war among them shouted: "So this is what we fought for."

This is a sad picture. If the time has come when citizens are forbidden by law or failure to enforce the law to work to provide bread for themselves and their dependents, even the pretense of freedom has been lost and the working people reduced to serfdom. Can there be any doubt that the excesses of irresponsible persons involved in management-labor disputes have reached the point where the real interests of those who toil with their hands are being jeopardized? Here we have a majority of the employees of a steel foundry forced to strike, not because they are dissatisfied with any treatment they receive from their employer, but because the heads of the organization to which these men belong, who live at some distant point from such plant, order them to strike. These men categorically assert:

We are fully satisfied with our working conditions and our current wages.

And:

We feel it is our constitutional right to work as we so choose to do—and we feel we are the best judge of our local needs in determining satisfactory wage terms.

Nevertheless, forces from the outside were brought to Bucyrus to prevent them from doing so. The right to work is a God-given right. I can conceive of no greater wrong that one man can do to another than arbitrarily prevent him from working to produce the necessities to sustain his own life and that of his family. I believe it is a basic responsibility of every political subdivision, from the Federal level to the smallest to join in a united movement to guarantee to each individual the free right to work wherever he pleases, at whatever compensation he can agree upon with his employer, without having to pay tribute to anyone. This would be no more than a reassertion of the rights of labor and all other groups guaranteed by the Constitution. Such protection is not vitally needed by the rank and file of working people.

I should like to add that corrupt politics must bear a large share of the responsibility for the present sad plight of the working people. Except for this corruption, the strife that exists today between employer and employees would be infinitely less than it now is. Could the workingmen but learn the truth that some politicians are most interested in their votes than they are in their welfare, much of the hardship that they are now undergoing would be greatly reduced.

I join with the soldier in asking, "Is this what we fought for?"

Mr. LUDLOW. Mr. Chairman, I yield 20 minutes to the gentleman from Idaho [Mr. WHITE.]

Mr. WHITE. Mr. Chairman, as a boy I was very much impressed in reading an account of the speech of the great abolitionist, Wendell Phillips, addressing an abolitionist meeting and there was a great deal of tumult in opposition and he could not be heard as he spoke to his audience, when he turned to the press gallery and said, "I speak to 100,000 here."

Well, coming before the House on as important a piece of legislation and as important a policy as this is this afternoon, and having the privilege to speak to about seven or eight members on the Democratic side and about four or five on the Republican side, I am reminded of Wendell Phillips. And I am wondering what I could say under these circumstances that would in any way influence the action of the House unless in speaking to the press and the people of the United States through the press, in telling them what is being undertaken to be done here, I may get an audience. I am wondering how the Members of this House would feel to read a little ad that I thought of putting into the magazines and papers of the country:

The man who does not understand money and refuses to study the money question has no business to represent his constituency in Congress.

I think that statement should be blazoned from every paper in the United States. I speak from 12 years of experience in an effort and a struggle that has been made to give this country a fundamental, sound, workable, and adequate monetary system with sufficient cash with which to transact the business of the country. As a result of my 12 years' experience in Washington in endeavoring to work with the Congress as a Member of Congress, as a member of the board of directors of this great corporation called the United States of America, I have come to the conclusion that there are two great essentials to a sound and balanced national economy: The first is a sound, workable, and adequate monetary system, and the next is the free and fair play of competition. If this Congress had come to Washington and had done those two little simple things, had put those two policies of government into operation and strengthened the agencies that enforce the law, such as the Federal Trade Commission, and seen to it that business was given a square deal and that free enterprise was preserved in this country, we could have gone home, and the industry and thrift of the American people would have done the things we have tried to accomplish with all these legislative expedients.

I was very much encouraged just lately by the message from our great President. We took heart when he told us in his message:

As a result, estimated expenditures will exceed estimated receipts by 4.3 billion dollars. This amount can be provided by a reduction in the cash balance in the Treasury. Thus, after a long period of increasing public debt resulting from depression budgets and war budgets, it is anticipated that no

increase in the Federal debt will be required next year.

When we talk about reserves in the Treasury, what do we have there? We are borrowing, and we are borrowing every day. In the financial statement of the Treasury, which comes to the office of every Congressman every day, if he will ask for and is inclined to read it, we find that we have only a small cash balance accumulated from borrowings left over for expenditure. We are over \$260,000,000,000 in debt, but over there in the Treasury we have a pile of money metal, the best money the country has ever used, the best money that has ever been used in any country of the world. I speak of silver, the coin of the realm of most governments in the family of nations.

We have in that Treasury, or did have before we sent 300,000,000 ounces of silver as a lease-lend gift to England, silver which England has coined and put into circulation at a higher coinage value than the dollar value of our silver here, which is \$1.29 an ounce, we have laying there in the Treasury silver that the Treasury officials have refused to use under the authority of law and issue into circulation in the form of silver dollars or silver certificates. That is probably what the President had in mind when he said he was going to draw on the Treasury reserve to reduce the borrowing. But now there is a well-organized campaign of these silver profiteers, and I mean profiteers. I tried to buy a little wedding present, a little silver bowl, in a department store in Chicago the other day. It weighed only about 11 ounces, and they wanted \$54 for it. Go down here to any store anywhere in the United States where silver jewelry or silver service is purveyed and you will find that the price is exorbitant.

They do not want to pay the coinage value of \$1.29 an ounce for pure silver, they want to make a raid on the monetary reserves of the American people, reserves that are in the Treasury and that should be put into circulation as money. If they can do that they will make a little profit, the difference between 71.11-cents and \$1.29.

How do we get the figure of 71.11? There is no provision in law that sets up the price of 71.11 as the price of silver. In the closing hours of the debate in the deliberations on silver in the Senate on July 6, 1939, the leaders in the Senate succeeded in accomplishing what we have been trying to do ever since silver was demonetized in 1873. Silver was remonetized. The silver in the United States is remonetized. Let me read you the law:

Each United States coinage mint shall receive for coinage into standard silver dollars any silver which such mint, subject to regulations prescribed by the Secretary of the Treasury, is satisfied has been mined subsequently to July 1, 1939, from natural deposits in the United States or any place subject to the jurisdiction thereof.

The director of such mint with the consent of the owner shall deduct and retain of such silver so received 45 percent as seigniorage for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is 55

percent, shall be coined into standard silver dollars and the same or any equal number of other standard silver dollars shall be delivered to the owner or depositor of such silver, and no provisions of law taxing transfers of silver shall extend or apply to any delivery of silver to a United States mint under this section.

Does that say anything about 71.11? It simply says that silver miners of this country who produce the silver and bring it to the mint where it will be coined. The Government will take 45 percent for its share and the miner will get back 55 percent in silver dollars to spend as he pleases. Under that arrangement, there is no interest feature attached to the issuance of this kind of money. The producer of silver simply gets silver back and proceeds to put it into circulation. The price of 71.11 cents was established by the Treasury as a basis under the law for paying for the miners' share of silver. Let me tell the members of this committee, to the two or three who are here, that I hold in my hand an old silver dollar minted in 1879. I was curious to know what that silver dollar, worn as it is, saved the American people in the wage of interest. I asked the Federal Reserve bank to give me a calculation of the interest on this silver dollar from that date figured out at 6 percent compounded from that time; it comes to \$39.40. Today, computing the interest, that old silver dollar has saved the people of these United States in the form of interest over \$40. It is worth more when we calculate its service than its weight in gold. Do not make a mistake about that. If that had been a Federal Reserve dollar or a national bank dollar put into circulation by being loaned on somebody's note, they would have had to pay interest all the time they kept the dollar and would either have had to bring that dollar back or another dollar and pay interest and take up the note. Somebody would have to stand behind the man that brought in the dollar to pay his note to get this same dollar in circulation again. As long as that Federal Reserve dollar was circulated, somebody would have been paying interest. If you compound that interest as the bank would compound it by taking their short-term notes and putting out the money over again, which makes the service of this silver dollar worth \$40. Do not make any mistake about that. That is the meat in the coconut, gentlemen. If the bankers of this country and if their friends in the Treasury could have their way, all the silver in the world and all the silver in the United States would be loaded into some old hulks and taken out to the deepest spot in the ocean and there sunk so it would never come back to earth again. Sunk so it would never bother or interfere with the collection of interest on this paper currency on which we must pay current rates of interest—on every Federal Reserve dollar which is now in circulation. We had a celebration here in Washington back in the days of Andrew Jackson, just a little over 100 years ago.

We celebrated the cancellation of the last Federal debt. This country in 1835 was out of debt. If this country were out of debt today and business was on a

cash basis there would not be a single dollar in circulation except these silver certificates and silver dollars.

The gentleman from New York [Mr. TABER], the leader of the opposition on the Republican side on this Appropriations Committee, makes light of silver and tries to say there is no market value for silver. Do you know what the English did with this 300,000,000 ounces of silver they got from the United States Treasury? They coined it. In the United Kingdom it is worth 88.1 cents per ounce. In India it is worth \$2.26; in Arabia it is worth \$1.809. Silver is worth more than its coinage value in this country all over the world. If the restrictions were taken off of silver, and the law of supply and demand should come into play, silver would go higher than its coinage value here just as it did after the last war, when it went to \$1.49 in the Orient. To think that we are going to permit the silversmiths to go into the Federal Treasury and make a raid, is preposterous to me.

Let me call attention to just what has been done. It was astounding to me, knowing the rules of the House and the laws governing this body, when I ascertained what is being attempted in this bill. Under the rules governing this House, no legislation can be placed on an appropriation bill. That is a law that has been in force ever since I have been a Member of this Congress, for over 12 years. We are protected from a small minority tacking objectionable legislation onto an appropriation bill. We are protected by the rules of this House, so that any Member on this floor can rise and make a point of order that the item is legislation on an appropriation bill, and it goes out. We have had some heartbreaking experiences with western appropriations because the appropriation contained legislation and it was thrown out on a point of order. We rely on that law. I rely on that law in trying to follow a course that will protect the people I have the honor to represent.

But what do we find on page 25 of the bill, line 7?

For a period of 2 years following the enactment of this act, the Secretary of the Treasury is authorized to sell or lease for manufacturing uses, including manufacturing uses incident to reconversion and the building up of employment in industry, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, any silver held or owned by the United States at not less than 71.11 cents per fine troy ounce: *Provided*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

Well, there is nothing to that. All I had to do or all any other Member had to do would be to rise in his place and say, "Mr. Chairman, I make a point of order against that provision on the ground that it is legislation on an appropriation bill." But what do we find? Somebody got to the powerful Rules Committee. We are always reading in the papers about this powerful Rules Committee. This is what

the Rules Committee did in this case: Before a bill can be brought to this House for consideration, under the ordinary procedure, it is necessary to get authority from the Rules Committee under a resolution brought to the floor to make that bill in order by which they prescribe the time for general debate. In this case we have a very brief resolution. House Resolution 521 reads as follows:

Resolved, That in the consideration of H. R. 5452 all points of order against the paragraph relating to the disposition of silver owned by the United States, under the heading "Bureau of the Mint" in title I of such bill, shall be considered as waived.

There we are, tied up; we have got to take our medicine. The jewelers can make the raid, they can get silver that is worth over \$1.29 an ounce when this country is over \$260,000,000,000 in debt. They are making a raid on our Treasury and getting this silver at 71.11 cents on the excuse that that was all the Government paid for it. I cannot understand why any committee, any small group, would put that kind of deal over on the House of Representatives of the American people.

I hope we may be able to get the ear and attention of the Members of Congress, when this bill is read for amendments, that we may explain the transaction that is proposed here and that we may have support for an amendment to strike it out of the bill. In that way we will take into consideration all the taxpayers and the need for silver, and follow the President's program, follow the program of reducing this tremendous tax load by using \$2,000,000,000 of idle money that is all bought and paid for and lying idle over in the Treasury.

When silver was purchased under the Silver Purchase Act and the silver came into the Treasury they made two piles. The first pile was put over here to equal the amount of money paid out for the silver purchased; the other pile was placed over there as surplus. The first pile was revalued in a plan by which the Treasury brought it up to \$1.29 an ounce, which is the coinage value, not the purchase price, and this silver equivalent was issued in silver certificates by the Secretary of the Treasury acting under the terms of the Silver Purchase Act. I now read to the Members the essential portions of the Silver Purchase Act and ask you to bear in mind that we happen to have over 1,750,000,000 ounces of silver in the Treasury. It was put to a partial use during this war when we had to have something to conduct electricity to the smelters to make aluminum for our airplanes. It would have served a double purpose, it could have been used as backing for silver certificates monetarily and at the same time have been used industrially for the conducting of electric current.

I read the following from the Silver Purchase Act:

SEC. 3. Whenever and so long as the proportion of silver in the stocks of gold and silver of the United States is less than one-fourth of the monetary value of such stocks, the Secretary of the Treasury is authorized and directed to purchase silver, at home or abroad, for present or future delivery with any direct obligations, coin, or currency of

the United States, authorized by law, or with any funds in the Treasury not otherwise appropriated, at such rates, at such times, and upon such terms and conditions as he may deem reasonable and most advantageous to the public interest: *Provided*, That no purchase of silver shall be made hereunder at a price in excess of the monetary value thereof: *And provided further*, That no purchases of silver situated in the continental United States on May 1, 1934, shall be made hereunder at a price in excess of 50 cents a fine ounce.

SEC. 4. Whenever and so long as the market price of silver exceeds its monetary value or the monetary value of the stocks of silver is greater than 25 percent of the monetary value of the stocks of gold and silver, the Secretary of the Treasury may, with the approval of the President and subject to the provisions of section 5, sell any silver acquired under the authority of this act, at home or abroad, for present or future delivery, at such rates, at such times, and upon such terms and conditions as he may deem reasonable and most advantageous to the public interest.

SEC. 5. The Secretary of the Treasury is authorized and directed to issue silver certificates in such denominations as he may from time to time prescribe in a face amount not less than the cost of all silver purchased under the authority of section 3, and such certificates shall be placed in actual circulation. There shall be maintained in the Treasury as security for all silver certificates heretofore or hereafter issued and at the time outstanding an amount of silver in bullion and standard silver dollars of a monetary value equal to the face amount of such silver certificates.

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. LUDLOW. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. WHITE. In other words, it is mandatory for the Secretary of the Treasury to issue dollars or silver certificates in the equivalent of monetary value to the cost of all the silver bought, but there is exactly where the Secretary stopped. He could just as well lighten the interest load on the American people by putting all the silver that comes into the Treasury out in the form of silver dollars. But, no, he wants to protect the Federal Reserve banks in their interest-gathering privilege. Interfering with that privilege was the last thing he wanted to do. The bank will not tolerate any interference with their program of issuing interest-bearing currency. As I said earlier in my statement, if all the silver in the world today could be gathered up, loaded in some old hulks and taken out to the deepest spot in the ocean and sunk irretrievably, it would be the grandest thing in the world so far as the banks of this country are concerned; it would be the finest thing that could happen to silver according to them. We must destroy this silver, we must keep it out of circulation as money. Ever since I have been a Member of Congress, some 12 years, they have been fishing around trying to find some industrial use for silver, trying to find a disposition for silver and get the country away from the hard money, the money that made America great, the kind of money that bought every foot of territory in continental United States. That was the money that bought Louisiana, that was the money that bought Florida, that was the money that brought in Texas and all of the southwest coun-

try that we wrested from Mexico. That was the money that brought in Alaska. That is the money that has made America great. Ever since silver was demonetized in 1873 we have had a series of depressions and booms. That has worked untold hardships on the American people.

I want to show the members of the Committee the benefits, the actual profits that have been made by the Government in connection with silver. Every month the Treasury gets out a bulletin. I have the January 1946 bulletin before me and on page 82 of that bulletin there is the signiorage table and I call the attention of the members of the Committee to the fact that the total signiorage on silver has come to \$917,400,000. There has been a neat profit in the operation of that law I read you, the Silver Purchase Act, to the extent of almost a billion dollars.

In the last column of the same table we find the potential signiorage on silver bullion at cost of the general fund, the silver that these jewelers are trying to get so that it can be taken away from our Treasury. Had this silver been coined and put into circulation in the form of silver certificates issued against it we would have had an additional signiorage profit of \$377,600,000.

The gentleman from New York [Mr. TABER], the ranking minority member of the Appropriations Committee, stands up here year after year and tells the Members of this House that silver is an expense to the Federal Government, that silver has not any value, that it is a drag on the economy of this country and on the taxpayers of the Government. I wish that every day, every month, he would read the tables that come in the official Treasury statement and note the big profit that the Government makes on silver. That is the profit alone. But what about the interest on \$2,000,000,000 which is now in circulation, silver dollars and silver certificates? And the other \$2,000,000,000 we have laying idle ready to put in circulation. Profit to the Government and the saving of interest. Of course, that is all wrong. It is amusing to me to hear the gentleman from New York [Mr. TABER] and other gentlemen on the other side of the aisle preach economy. They want to cut appropriations, they want to save whenever they get a chance, by their way of doing it, but when these same gentlemen get a chance to make a real saving, to do something substantial for the taxpayers of this Government, they turn the other way.

This provision of the bill violates the rules of the House, and then they bring a rule in here to protect that violation which runs counter to the recommendation of the President of the United States. We are running counter to the rules of this great House. To do what? To give the jewelers a little insignificant profit on silver and keeping \$2,000,000,000 out of circulation in the form of silver certificates, or silver dollars, which would lighten our interest load by that much.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. WHITE. I yield to the gentleman from New Jersey.

Mr. CANFIELD. In all fairness to the gentleman, has not the House already passed on this issue?

Mr. WHITE. If the House has already passed on this issue, why bring it back in this form? Why sneak this thing in here with this kind of a rule? That is what I am complaining about. Are we keeping faith with the Members of the House, are we keeping faith with the President of the United States, are we protecting the interests of the people of the United States in doing this thing that sponsors of this plan are attempting to do today? That is what I would like to have the gentleman answer me. Let me ask the gentleman a question. Does he think we are keeping faith, does he think we are doing the right thing with this sort of parliamentary procedure?

Mr. CANFIELD. Mr. Chairman, if the gentleman will yield, I think this legislation is very much in order, and the House tomorrow will merely emphasize what it has already tried to emphasize in previous legislation.

Mr. WHITE. I assume that the gentleman has been in this House for quite some time. I assume the gentleman knows the rules of the House. I assume the gentleman knows that there is a rule that legislation is to be ruled off an appropriation bill. Why make an exception for silver? Why do you do that? Why do you make an exception for the silver dealers? Can the gentleman answer that question? He thinks that this plan is right. Does he want that to go to his constituents?

Mr. Chairman, this is a big subject, and I could talk and present facts all afternoon. I would like to call attention to one thing. Efforts are being made here today to dispose of this silver, and take just that much out of the possibility of having it made into money. I would like to call the attention of the Nation to the fact that in reconversion and employment and in the production of essential metals, copper, zinc, and lead, and all those things associated with the mining of silver, that when you strike down the value of silver you are only increasing the cost load on the mining industry, and I want to call attention to the further fact that under present operations, with increased wages, social security, unemployment insurance, and all of these things that these companies have to bear, we need the best price that we can possibly get. We need the full use of silver as money as well as industrially, and there is plenty of silver to be had. It has been the established policy of the Treasury that if these jewelers want silver, they can get all they want at the coinage value of \$1.29. There is nothing to prevent them redeeming the silver certificate and securing silver in the form of silver dollars and having it melted down.

I thank the leadership of this House, and I want to thank the chairman of this committee who has always been fair in giving me at least this opportunity after all these years to tell the House a few of the facts about silver.

Mr. CANFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. GWINN].

Mr. GWINN of New York. Mr. Chairman, in Yonkers bids were solicited for

a new post office in November 1945. Two were received, one entirely acceptable. But those bids were held for weeks. After the amount of the bids became public knowledge the Post Office Department negotiated with one Hyland, who was not a bidder, and entered into a contract with him privately to build the post office. It was for the same space as one of the bidders provided and at exactly \$85 a month less. The old bidders were not asked to revise their bids or to submit new bids, but were deliberately precluded from bidding.

In the Post Office Department advertisement for bids there is a clause specifically reserving the right to endeavor after the closing date of bids to secure other offers in addition to those submitted in response to the advertisement. The Post Office Department now reserves the right to negotiate for post-office buildings at private treaty and without public bidding. This is wrong and should be stopped. For big Government operating a political department, the most political of all departments cannot be permitted to prefer contractors of one party as against contractors of another party.

No exception to the sound principle of law requiring acceptance of the lowest bid in Government construction can be tolerated.

At Pleasantville, N. Y., the Post Office Department proposed a new building in the summer of 1945. The city council, the mayor, and the citizens generally protested against the erection of a new post office on the Public Plaza for the following reasons:

First. The United States Government, through the Federal Deposit Insurance Corporation, became the owner of a large building under foreclosure which was entirely vacant and available to the post office for use on the same plaza.

Second. There was space in the present post-office building that could be used.

Third. The Reader's Digest business constitutes 88 percent of the total business in the Pleasantville post office. The Reader's Digest in writing notified the post office of its intention to build its own post-office building in its plant 5 miles away as soon as building should be permissible. So the new proposed post-office building would then become approximately 88 percent vacant.

Nevertheless the Post Office Department aided in securing priorities for materials from the War Production Board. The new building has just been completed costing approximately \$90,000, using building materials greatly needed for houses, even a veterans' hospital in our district on which construction is stopped for lack of building material.

Mr. LUDLOW. Mr. Chairman, I yield 5 minutes to the distinguished chairman of the Committee on Appropriations, the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Chairman, may I suggest to any who may be interested in committee procedure that they give particular attention to the hearings on this bill and to the report and the address of the gentleman from Indiana [Mr. LUDLOW] in presenting the

bill to the House. In my opinion they are as complete and effective as ever submitted for the consideration of the Congress.

The Subcommittee on Treasury and Post Office is the ranking subcommittee and the gentleman from Indiana is the ranking member of the Committee on Appropriations and his long experience in legislation and his exceptional knowledge of the important field covered by this appropriation make it one of the notable appropriation bills of the session.

If I were called upon to point out the ideal Representative in Congress, I would unhesitatingly select the gentleman from Indiana [Mr. LUDLOW]. His early experience as a newspaperman, in which he served as Washington correspondent for some of the major newspapers of the country, his ability and sincerity and wide human interest, and his popularity on the floor and in the committees, make him one of the outstanding figures in the Congress.

He is not a partisan. He votes with the Republicans when they are right and he votes with the Democrats when they are right, but always he votes with the people of Indianapolis and the State of Indiana and the Nation at large.

He is neither a factionalist nor a sectionalist. He is identified with no faction or section. He is interested in all classes, everywhere, and the United States of America in general.

I need not mention his great service in the Committee on Appropriations. That speaks for itself. Personally, I would be unwilling to see the committee report to the House on any vital matter until it had the benefit of his wise counsel and seasoned judgment.

I am certain I speak for the committee—and I trust for the House—when I express appreciation to the people of his discriminating congressional district on their sending him to Congress, and keeping him in Congress, through every political vicissitude, in these crucial years of the Nation's history.

The CHAIRMAN. The Clerk will read. The Clerk read as follows:

Be it enacted, etc.—

TITLE I—TREASURY DEPARTMENT

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department for the fiscal year ending June 30, 1947, namely:

Mr. LUDLOW. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRIEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 5452, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. TALLE (at the request of Mr. CANNON) was granted permission to extend his remarks in the Appendix of the Record and include certain letters.

SCHOLARSHIP AND FELLOWSHIP PROGRAM

The SPEAKER. Under previous order of the House, the gentleman from Wash-

ington [Mr. SAVAGE] is recognized for 20 minutes.

(Mr. SAVAGE asked and was given permission to revise and extend his remarks.)

Mr. SAVAGE. Mr. Speaker, I have today introduced a bill which, if enacted into law, will authorize a scholarship and fellowship program throughout the Nation. Many brilliant high-school students among the 1,200,000 graduating each year in the United States are deprived of the opportunity of obtaining higher education because of the lack of money. This situation should be corrected. My proposal will provide about 70,000 new scholarships each year and provide each scholarship student with \$30 a month while in college. It would also authorize fellowship awards of \$50 a month for students taking a graduate course.

This is not a large amount of money but it would be a great help for the student who is trying to work his or her way through school and, in many cases, the family may be able to contribute something to the expense of going to college.

First it was my idea to make larger monthly awards, but most educators seemed to believe that it would be better to have a more modest amount and make it apply to more students. The way the bill is presently written, about 7 to 10 percent of the students in each high school will win scholarships. This scholarship award will be made to all students without regard to financial position, but students with adequate finances—those who can afford to pay their own way through college—will be urged to forego the financial assistance so the award can be made to other top students of more limited means. Students who can afford to pay their own way and are scholarship winners will still have the honor of being winners, even though they forego the financial assistance.

The scholarship will give financial assistance all the way through a student's college years, if needed. If the student goes on to graduate work, such as medicine, dentistry, law, and scientific studies, the scholarship will change to a \$50-per-month fellowship when the preparatory college course is finished and the student begins the final specialized studies.

The increase in financial assistance at that particular time is needed because a student studying medicine, for instance, has very little time to do anything else outside of his studies. Students may use the benefit of scholarships to go to any approved, private, or State-owned junior college, college, or university. Whenever a good, intelligent high-school student graduates with high honors and is unable to continue his education, it is a most serious loss to our Nation. Wealth has no monopoly on brains. Often the most healthy and intelligent students come from the farm, where they have been able to live an outdoor life and they grow up on the best possible diet. Such young people can be of much greater service to our country if they are able to obtain a reasonably good education. I do not propose to hand them anything on a platter, because this \$30

DIGEST OF PROCEEDINGS OF CONGRESS OF INTEREST TO THE DEPARTMENT OF AGRICULTURE
(Issued February 15, 1946, for actions of Thursday, February 14, 1946)

(For staff of the Department only)

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HIGHLIGHTS: House passed with amendments urgent deficiency appropriation bill. Rejected amendment to strike out OPA funds. Rejected motion to recommit with instructions that OPA funds be stricken. Agreed to committee amendment to authorize REA to borrow \$100,000,000 from RFC. Rep. Murray criticized subsidies policy, saying Secretary Anderson is against subsidies one day and for them the next. House passed Treasury-Post Office appropriation bill. House committee reported Patman housing bill providing for price control and subsidies, with amendment.

HOUSE

1. URGENT DEFICIENCY APPROPRIATION BILL. Passed with amendments this bill, H. R. 5458, which contains funds for CPA, ODT, and OPA (pp. 1337-53).
Agreed to a Committee amendment offered by Chairman Cannon, Mo., to authorize REA to borrow \$100,000,000 from RFC (pp. 1337, 1345-52). Rejected, 80-93, an amendment by Rep. Taber, N. Y. to strike out the funds for OPA (pp. 1343-5), and rejected, 108-185, motion by Rep. Henry, Wis., to recommit the bill with instructions that the OPA funds be stricken (pp. 1352-3).
During the debate, Rep. Murray, Wis., criticized the Government policies on subsidies and price control and stated that one day the Secretary is against subsidies and the next day for them (p. 1342); Rep. Jensen, Iowa, criticized the OPA price control policies as being responsible for much of the shortage of critical building materials needed for housing (p. 1342); and Reps. Jenkins, Ohio, and Taber, N. Y. criticized Government "propaganda" activities (p. 1339-40).
Reps. Rees, Kans., Taber, N. Y., and others discussed lumber exports (p. 1341).

2. TREASURY-POST OFFICE APPROPRIATION BILL. Passed without amendment this bill. H. R. 5452 (pp. 1354-8).
Rejected, 26-56, an amendment by Rep. Bunker, Nev., to strike out the provision for sale or lease of silver for manufacturing uses at not less than 71.11 cents an ounce (pp. 1355-8). During debate on this amendment, Rep. Barrett, Wyo., stated that its purpose is "to make silver a little cheaper for the boys.....who manufacture silverware; but the over-all effect of this amendment is to reduce the income of.....the farmer" (p. 1356).
Rejected an amendment by Rep. Hays, Ark., to provide for rural mail delivery on holidays (p. 1358).

3. HOUSING. The Banking and Currency Committee reported with amendment H. R. 4761, the Patman bill which would authorize price control and subsidies on housing and would establish an office of housing stabilization (H. Rept. 1580) (p. 1360).

Rep. Spence, Ky., announced that he would introduce amendments to the bill to meet the requirements of the Wyatt housing plan (p. 1331).

Rep. Rabaut, Mich., stated that the Commerce Department had reported to him that most of the lumber being exported was shipped in order that sugar might be brought in (p. 1332). Rep. Patman, Tex., reported that more lumber is being imported than exported at the present time (p. 1333).

4. FOREIGN AFFAIRS. Rep. Vorys, Ohio, announced that he had asked the Foreign Affairs Committee Chairman to reconsider H. R. 4982, to enable the State Department to disseminate information abroad (p. 1334).

5. FOREIGN RELIEF. Rep. Smith, Wis., spoke in favor of permitting private organizations to ship food and clothing to Germany (pp. 1358-9).

6. RFC REPORT. Received the August 1945 report of RFC. To Banking and Currency Committee. (p. 1360).

SENATE

NOT IN SESSION. Next meeting Friday, February 15.

BILLS INTRODUCED

7. RECLAMATION. H. R. 5486, by Rep. Murdock, Ariz., to provide basic authority for certain functions of the Bureau of Reclamation. To Irrigation and Reclamation Committee. (p. 1360).
8. LABOR. H. Res. 525, by Rep. Hand, N. J., authorizing the Labor Committee to study means of preventing strikes in public utilities, hospitals, and processing and distribution of essential foods and fuel. To Rules Committee. (p. 1360).

ITEMS IN APPENDIX

9. SCHOOL LUNCHES. Extension of remarks of Rep. Douglas, Ill., favoring the Flannagan school lunch bill (p. A783).
10. RURAL ELECTRIFICATION. Extension of remarks of Rep. Hagen, Minn., proposing REA loans for individual farm electric plants where there are too few farms to justify extension of power lines, and insertion of a Windcharger Corp. letter quoting statistics regarding the number of such farms (pp. A777-9).
11. EUROPEAN RELIEF. Extension of remarks of Rep. Hall, N. Y., proposing that bread be flown to Europe for relief instead of shipping wheat (pp. A781-2).
Extension of remarks of Rep. Feighan, Ohio, emphasizing the need for relief food in Europe, and inserting the proposed program of the Save Europe Now Committee (pp A785-6).

Maloney	Price, Ill.	Spence
Manasco	Priest	Starkey
Mansfield,	Rabaut	Stefan
Mont.	Rains	Stevenson
Mansfield, Tex.	Randolph	Stewart
Miller, Calif.	Resa	Stigler
Mills	Richards	Sullivan
Morgan	Riley	Tarver
Mundt	Rivers	Thomason
Murdock	Robertson, Va.	Tolan
Murphy	Robinson, Utah	Traynor
Murray, Tenn.	Rogers, Fla.	Trimble
Neely	Rooney	Vinson
Norrell	Rowan	Voorhis, Calif.
O'Brien, Ill.	Russell	Weaver
O'Brien, Mich.	Ryder	Welch
O'Neal	Sabath	White
O'Toole	Sasscer	Whitten
Patman	Savage	Whittington
Patrick	Sheppard	Wickersham
Peterson, Ga.	Slaughter	Winstead
Pickett	Smith, Maine	Wood
Poage	Somers, N. Y.	Woodhouse
Price, Fla.	Sparkman	Zimmerman

NOT VOTING—137

Adams	Fuller	Norton
Andresen,	Gamble	Outland
August H.	Gardner	Pace
Andrews, N. Y.	Gathings	Patterson
Angell	Gavin	Peterson, Fla.
Arnold	Gearhart	Pfeifer
Baldwin, Md.	Goodwin	Philbin
Barden	Gore	Ploeser
Barry	Grant, Ind.	Powell
Bender	Gross	Quinn, N. Y.
Bennet, N. Y.	Gwinn, N. Y.	Rabin
Bennett, Mo.	Hall	Ramey
Bishop	Leonard W.	Rayfiel
Bolton	Halleck	Reece, Tenn.
Bonner	Harness, Ind.	Reed, N. Y.
Bradley, Mich.	Hartley	Rich
Bradley, Pa.	Hedrick	Rizley
Buckley	Heffernan	Roe, N. Y.
Buffett	Hendricks	Rogers, N. Y.
Butler	Hill	Sadowski
Byrne, N. Y.	Hoffman	Schwabe, Mo.
Campbell	Holmes, Mass.	Shafer
Cannon, Fla.	Hook	Sheridan
Carnahan	Huber	Short
Case, S. Dak.	Johnson, Ill.	Sikes
Celler	Judd	Simpson, Pa.
Chenoweth	Keefe	Smith, Va.
Cole, N. Y.	Kelley, Pa.	Snyder
Courtney	Kelly, Ill.	Sumner, Ill.
Cox	Keogh	Summers, Tex.
Crawford	Kerr	Talbot
Crosser	Kilburn	Taylor
Curlley	Kunkel	Thom
Davis	LaFollette	Thomas, Tex.
Dawson	Lane	Torrens
Delaney,	Larcade	Towe
James J.	Lesinski	Vursell
Dingell	Luce	Walter
Dirksen	Lynch	Wasielewski
Dondero	McCowan	West
Doughton, N. C.	McGehee	Wilson
Douglas, Calif.	McKenzie	Winter
Eaton	Marcantonio	Wolcott
Elsaesser	May	Wolfenden, Pa.
Fellows	Morrow	Wolverton, N. J.
Fisher	Monroney	Worley
Flood	Morrison	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Short for, with Mr. Morrison against.
 Mr. Reed of New York for, with Mr. Sheridan against.
 Mr. Bennett of Missouri for, with Mr. Keogh against.
 Mr. Hartley for, with Mr. Pfeifer against.
 Mr. Ploeser for, with Mrs. Luce against.
 Mr. McCowan for, with Mr. Davis against.
 Mr. Schwabe of Missouri for, with Mr. Outland against.
 Mr. Campbell for, with Mr. Worley against.
 Mr. Eaton for, with Mr. Patterson against.
 Mr. Towe for, with Mr. Wasielewski against.
 Mr. Larcade for, with Mr. Dingell against.
 Mr. Dondero for, with Mrs. Douglas of California against.
 Mr. Elsaesser for, with Mr. Barry against.
 Mr. Halleck for, with Mr. Roe of New York against.
 Mr. Taylor for, with Mr. Heffernan against.
 Mr. Bishop for, with Mr. Courtney against.
 Mr. Gamble for, with Mr. Gore against.
 Mr. Buffett for, with Mr. Rayfiel against.

General pairs until further notice:

Mr. Cox with Mr. Johnson of Illinois.
 Mr. Barden with Mr. Keefe.
 Mr. Hendricks with Mr. Hill.
 Mrs. Norton with Mr. Bender.
 Mr. James J. Delaney with Mr. Hoffman.
 Mr. Kelley of Pennsylvania with Mr. Ramey.
 Mr. Gathings with Mrs. Bolton.
 Mr. Hook with Mr. Arnold.
 Mr. Kerr with Mr. Bradley of Michigan.
 Mr. Lynch with Mr. Chenoweth.
 Mr. May with Mr. Dirksen.
 Mr. Sumners of Texas with Mr. Cole of New York.
 Mr. Walter with Mr. Fellows.
 Mr. Byrne of New York with Mr. Goodwin.
 Mr. Bradley of Pennsylvania with Mr. Fuller.
 Mr. Crosser with Mr. Harness of Indiana.
 Mr. Thomas of Texas with Mr. Grant of Indiana.

Mr. Celler with Mr. Holmes of Massachusetts.

Mr. Rabin with Mr. Judd.
 Mr. Smith of Virginia with Mr. Rizley.
 Mr. Quinn of New York with Mr. Shafer.
 Mr. Monroney with Mr. Wolcott.
 Mr. Powell with Mr. Wolverton of New Jersey.

Mr. Doughton of North Carolina with Mr. August H. Andresen.

Mr. Lane with Mr. Wolfenden of Pennsylvania.

Mr. Pace with Mr. Adams.

Mr. BALDWIN and Mr. JOHNSON of California changed their vote from "aye" to "no."

Mr. O'KONSKI changed his vote from "no" to "aye."

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. CANNON of Missouri. Mr. Speaker I ask unanimous consent that all Members who have spoken on the bill just passed may have 5 legislative days in which to extend their remarks on the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

EXTENSION OF REMARKS

Mr. WHITE asked and was given permission to extend his remarks in the RECORD in three instances.

Mr. WHITE. Mr. Speaker, I have an extension of remarks with an estimated cost of \$156. I ask unanimous consent that I may be permitted to extend this matter in the RECORD notwithstanding the cost.

The SPEAKER pro tempore. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent that on Tuesday next after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered, I may be permitted to address the House for 30 minutes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

EXTENSION OF REMARKS

Mr. KEFAUVER. Mr. Speaker, I secured unanimous consent to extend my remarks and include an article from the Foreign Service Journal. I am informed by the Public Printer that will exceed 2 pages of the RECORD and will cost \$173, but I ask that it be printed notwithstanding that fact.

The SPEAKER pro tempore. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mrs. DOUGLAS of California (at the request of Mr. MILLER of California) was given permission to extend her remarks in the Appendix of the RECORD and include a magazine article.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. HAGEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject Winds Can Be Harnessed for Electric Power on Farms. I am informed by the Public Printer that this will exceed 2 pages of the RECORD and will cost \$130, but I ask that it be printed notwithstanding that fact.

The SPEAKER pro tempore. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. WEICHEL (at the request of Mr. MARTIN of Massachusetts) was given permission to extend his remarks in the RECORD and include a discussion upon the subject, An Approach to Moral Justice.

Mr. LEMKE asked and was given permission to extend his remarks in the RECORD and include a letter addressed to the President by former Congressman Coffey, of Nebraska.

Mr. DE LACY asked and was given permission to extend his remarks in the RECORD in two instances, and include a letter from five correspondents and part of an article from the New Republic, and also to include considerable discussion of a question relating to the Philippine Islands by his friend, Mr. Rajo.

Mr. LYNDON B. JOHNSON asked and was given permission to extend his remarks in the RECORD and include a speech by Walter Rolfe, of the University of Texas.

Mr. RANDOLPH. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein part of an address delivered by our former colleague, Mr. Ramspeck; and also to quote from an editorial.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. WOODRUFF asked and was given permission to extend his remarks in the RECORD in two instances; to include in one an editorial and in the other a newspaper article.

Mr. FULTON asked and was given permission to extend his remarks in the RECORD and include a letter from Capt. George S. Urichinich, winner of the Congressional Medal of Honor.

Mr. HAGEN asked and was given permission to extend his remarks in the RECORD on the subject Aged Entitled to Pension, Not a Dole, and include an article appearing in the Townsend National Weekly.

PERMISSION TO ADDRESS THE HOUSE

Mr. MURRAY of Wisconsin. Mr. Speaker, I ask unanimous consent that on Tuesday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 1 hour on the subject Take-Home Pay to American Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1947

Mr. LUDLOW. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana.

The question was taken; and on a division (demanded by Mr. COCHRAN) there were—ayes 103, no 1.

Mr. COCHRAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count. [After counting.] One hundred and seventy-four Members present; not a quorum.

Mr. WHITE. Mr. Speaker, I move that the House do now adjourn.

The question was taken; and on a division (demanded by Mr. WHITE) there were—ayes 31, noes 103.

So the motion was rejected.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana [Mr. LUDLOW].

The Doorkeeper will close the doors, the Sergeant-at-Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 243, nays 16, not voting 171, as follows:

[Roll No. 24]

YEAS—243

Abernethy	Arends	Blackney
Allen, Ill.	Auchincloss	Boren
Allen, La.	Barrett, Pa.	Brooks
Almond	Barrett, Wyo.	Brown, Ga.
Andersen,	Bates, Mass.	Brown, Ohio
H. Carl	Beall	Brumbaugh
Anderson, Calif.	Beckworth	Bryson
Andrews, Ala.	Biemiller	Buck
Angell	Bishop	Buffett

Bulwinkle	Havenner	O'Toole
Canfield	Hays	Pace
Cannon, Mo.	Healy	Peterson, Ga.
Carlson	Henry	Pickett
Case, N. J.	Heslerton	Pittenger
Chapman	Hess	Plumley
Chelf	Hill	Poage
Chiperfield	Hobbs	Price, Fla.
Church	Hoch	Price, Ill.
Clason	Hoeven	Priest
Clements	Holmes, Wash.	Rabaut
Clippinger	Hope	Rains
Coffee	Howell	Randolph
Cole, Kans.	Hull	Rankin
Cole, Mo.	Izac	Reed, Ill.
Colmer	Jackson	Rees, Kans.
Combs	Jarman	Resa
Cooley	Jenkins	Richards
Cooper	Jensen	Riley
Corbett	Johnson, Calif.	Rivers
Cox	Johnson, Ind.	Robertson,
Cravens	Johnson,	N. Dak.
Cunningham	Luther A.	Robinson, Utah
Curtis	Johnson,	Robson, Ky.
D'Alesandro	Lyndon B.	Rockwell
Daughton, Va.	Johnson, Okla.	Rodgers, Pa.
De Lacy	Jones	Roe, Md.
Delaney,	Jonkman	Rogers, Fla.
John J.	Kean	Rogers, Mass.
D'Ewart	Kee	Rooney
Dirksen	Kilday	Rowan
Dolliver	Kinzer	Russell
Domengeaux	Kirwan	Ryder
Dondero	Kopplemann	Sasser
Douglas, Ill.	Landis	Savage
Doyle	Lanham	Schwabe, Okla.
Dworshak	Latham	Scrivner
Earthman	Lea	Sharp
Eberhart	LeCompte	Sheppard
Elliott	LeFevre	Simpson, Ill.
Ellis	Lemke	Slaughter
Ellsworth	Lewis	Smith, Maine
Engel, Mich.	Link	Smith, Wis.
Ervin	Ludlow	Sparkman
Fallon	Lyle	Spence
Feighan	McConnell	Springer
Fenton	McCormack	Starkey
Fernandez	McDonough	Stefan
Fogarty	McGehee	Stevenson
Forand	McGlinchey	Stigler
Fulton	McGregor	Stockman
Gerlach	McMillan, S. C.	Sundstrom
Gifford	McMillen, Ill.	Taber
Gillette	Madden	Talle
Gillie	Mahon	Tarver
Gordon	Maloney	Thomas, N. J.
Gorski	Manasco	Thomason
Gossett	Mansfield, Tex.	Tibbott
Graham	Martin, Iowa	Tolan
Granahan	Martin, Mass.	Trimble
Grant, Ala.	Mathews	Vinson
Green	Michener	Voorhis, Calif.
Gregory	Miller, Calif.	Vorys, Ohio
Gwinn, N. Y.	Miller, Nebr.	Vursell
Gwynne, Iowa	Mills	Weichel
Hagen	Morgan	West
Hall	Mundt	Whitten
Edwin Arthur	Murdock	Whittington
Hancock	Murray, Tenn.	Wickersham
Hand	Murray, Wis.	Wigglesworth
Hare	O'Brien, Ill.	Winstead
Harless, Ariz.	O'Hara	Wood
Harris	O'Konski	Woodhouse
Hart	O'Neal	Woodruff

NAYS—16

Bell	Geelan	Mansfield,
Bland	Gillespie	Mont.
Bunker	Granger	Scmers, N. Y.
Cochran	Hale	Sullivan
Engle, Calif.	Hollifield	White
Folger	King	

NOT VOTING—171

Adams	Buckley	Dawson
Andresen,	Burch	Delaney,
August H.	Burgin	James J.
Andrews, N. Y.	Butler	Dingell
Arnold	Byrne, N. Y.	Doughton, N. C.
Bailey	Byrnes, Wis.	Douglas, Calif.
Baldwin, Md.	Camp	Drewry
Baldwin, N. Y.	Campbell	Durham
Barden	Cannon, Fla.	Eaton
Barry	Carnahan	Elsaesser
Bates, Ky.	Case, S. Dak.	Elston
Bender	Celler	Fellows
Bennet, N. Y.	Chenoweth	Fisher
Bennett, Mo.	Clark	Flannagan
Bloom	Clevenger	Flood
Bolton	Cole, N. Y.	Fuller
Bonner	Courtney	Gallagher
Boykin	Crawford	Gamble
Bradley, Mich.	Crosser	Gardner
Bradley, Pa.	Curley	Gary
Brehm	Davis	Gathings

Gavin	LaFollette	Rizley
Gearhart	Lane	Robertson, Va.
Gibson	Larcade	Roe, N. Y.
Goodwin	Lesinski	Rogers, N. Y.
Gore	Luce	Sabath
Grant, Ind.	Lynch	Sadowski
Griffiths	McCowen	Schwabe, Mo.
Gross	McKenzie	Shafer
Hall	Marcantonio	Sheridan
Leonard W.	Mason	Short
Halleck	May	Sikes
Harness, Ind.	Merrow	Simpson, Pa.
Hartley	Monroney	Smith, Ohio
Hébert	Morrison	Smith, Va.
Hedrick	Murphy	Snyder
Heffernan	Neely	Stewart
Hendricks	Norblad	Sumner, Ill.
Herter	Norrell	Sumners, Tex.
Hinshaw	Norton	Talbot
Hoffman	O'Brien, Mich.	Taylor
Holmes, Mass.	Outland	Thom
Hook	Patman	Thomas, Tex.
Horan	Patrick	Torrans
Huber	Patterson	Towe
Jennings	Peterson, Fla.	Traynor
Johnson, Ill.	Pfeifer	Wadsworth
Judd	Philbin	Walter
Kearney	Phillips	Wasielewski
Keefe	Ploeser	Weaver
Kefauver	Powell	Welch
Kelley, Pa.	Quinn, N. Y.	Wilson
Kelly, Ill.	Rabin	Winter
Keogh	Ramey	Wolcott
Kerr	Rayfel	Wolfenden, Pa.
Kilburn	Reece, Tenn.	Wolverton, N. J.
Knutson	Reed, N. Y.	Worley
Kunkel	Rich	Zimmerman

So the motion was agreed to.

The Clerk announced the following pairs:

Additional general pairs:

Mr. Heffernan with Mr. Taylor.
Mr. Morrison with Mr. Short.
Mr. Sheridan with Mr. Reed of New York.
Mr. Keogh with Mr. Bennett of Missouri.
Mr. Pfeifer with Mr. Hartley.
Mr. Dingell with Mr. Ploeser.
Mr. Larcade with Mrs. Luce.
Mr. Davis with Mr. McCowen.
Mr. Outland with Mr. Schwabe of Missouri.
Mr. Worley with Mr. Campbell.
Mr. Patterson with Mr. Eaton.
Mr. Wasielewski with Mr. Towe.
Mrs. Douglas of California with Mr. Dondero.
Mr. Barry with Mr. Elsaesser.
Mr. Roe of New York with Mr. Halleck.
Mr. Courtney with Mr. Bennet of New York.
Mr. Gore with Mr. Gamble.
Mr. Rayfel with Mr. Butler.
Mr. Clark with Mr. Elston.
Mr. Baldwin of Maryland with Mr. Baldwin of New York.
Mr. Burch with Mr. Horan.
Mr. Flannagan with Mr. Crawford.
Mr. Bates of Kentucky with Mr. Knutson.
Mr. Drewry with Mr. Reece of Tennessee.
Mr. Neely with Mr. Kilburn.
Mr. McKenzie with Mr. Wadsworth.

The result of the vote was announced as above recorded.

The doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union, with Mr. PRIEST in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, the first paragraph of the bill had been read. The Clerk will continue the reading of the bill for amendment.

The Clerk read as follows:

FOREIGN FUNDS CONTROL

Foreign funds control: For all expenses necessary in carrying out the functions of the Secretary of the Treasury under sections 3 and 5 (b) of the act of October 6, 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C. (Suppl. 1941) 5 (b)), and any proclamations, orders, regulations, or instructions issued thereunder; and in exercising fiscal, finan-

cial, banking, property-control, and related functions, authorized by law, administered by the Treasury Department in foreign countries and arising out of military operations of the United States; including personal services; purchase of lawbooks, books of reference, periodicals, and newspapers; printing and binding; maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle; and reimbursement of any other appropriation or other funds of the United States or any agency, instrumentality, Territory, or possession thereof, including the Philippine Islands, and reimbursement of any Federal Reserve bank for printing and other expenditures; \$1,000,000.

Mr. ROBINSON of Utah (interrupting the reading of the bill). Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with and that amendments may be in order to any part thereof.

Mr. BUNKER. Mr. Chairman, I object.

The Clerk read as follows:

Additional income tax on railroads in Alaska: For the payment to the Treasurer of Alaska of an amount equal to the tax of 1 percent collected on the gross annual income of all railroad corporations doing business in Alaska, on business done in Alaska, which tax is in addition to the normal income tax collected from such corporations on net income, the amount of such additional tax to be applicable to general Territorial purposes, \$7,000.

Mr. WHITE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to discuss the parliamentary situation with the Members of the Committee for a few minutes. As I see it, this is just a scheme to bypass the committee of the Senate. You know, this is one of the most confusing and irregular parliamentary proceedings that has been undertaken on the floor in my 12 years as a Member of the House of Representatives. We are learning new parliamentary tricks all the time, and this is certainly an irregular proceeding. The bill that we are discussing is privileged. It took no rule to bring it to the floor. It was discussed yesterday and debated when there were very few Members on the floor. I wish that the attendance we have here now—and I question whether we have a bare quorum of the Committee of the Whole—had been here yesterday to hear some of the facts concerning this proposed legislation and the plan that is being attempted to be put over on the Members of the House of Representatives.

After the bill was discussed all day yesterday, then this morning a rule was brought in to circumvent, if you please, the fixed policy and the rules of the House—a long-established rule—that no legislation would lie on an appropriation bill. Today a special rule was brought in and it was voted upon, being limited to one provision of the bill: the silver provision. Then after that was done, another irregularity took place. The bill was withdrawn and we proceeded to debate and pass another appropriation bill. Now we are back on the original bill here at this hour of 5 o'clock, when everybody wants to get away and sign their mail. That is certainly irregular. I cannot believe, if all Members of the Committee knew the true situation, that they would

let this plan of circumventing the rules of the House be put over in this manner.

We were very much encouraged lately by a message of the President in which he said it was intended to reduce borrowing by drawing on the reserves of the Treasury, but what do we have in the way of reserves in the Treasury? We have a small balance on hand in the Treasury of borrowed money, but we have over in the Treasury sufficient silver to put out in the form of silver certificates about \$1,500,000,000. We did have the equivalent of \$2,000,000,000, but we have dissipated that amount by making sales and making a loan under lease-lend to the British Empire of \$300,000,000. They proceeded immediately to coin that money and put it into circulation in the realms of the British Empire at a price higher than the coinage value of our dollar. We now propose to let silver-smiths and jewelers come in here and make a raid on this money stock of the Treasury, this reserve which we looked forward to the President's putting out in circulation to reduce the interest load on the people, by putting it out just as we have \$2,000,000,000 of other silver certificates. But no; the silver jewelers must have silver with which to manufacture the high-priced jewelry and silverware they want to use. If you do not think they are profiteering today on that silverware, just go into any jewelry store or any department store where silverware or jewelry is sold and find out. I had occasion in Chicago the other day to try to buy a little wedding present that weighed about 11 ounces, and they wanted \$54 for it. Everywhere you go you find the same profiteering on silverware.

When the President is trying so valiantly to reduce expenditures and bring the budget somewhere near a balance I cannot believe that the House will oppose his plan by sacrificing this silver metal that is lying over in the Treasury that should have been put into circulation in the form of money years ago, and that we have lost the interest on all of these years. I cannot see any sense in taking that silver and giving it to these jewelers when it is worth \$1.29 here and all over the world. I think it is a mistaken policy, and what safeguard have we that speculators will not obtain this silver allegedly for industrial use and make the 58 cents an ounce, to which the Government is entitled, by selling it abroad?

The CHAIRMAN. The time of the gentleman from Idaho has expired.

Mr. ROBINSON of Utah. Mr. Chairman, I ask unanimous consent that the further reading of the bill be dispensed with, and that amendments to any part of the remainder of the bill be in order.

The CHAIRMAN. Is there objection to the request of the gentleman from Utah?

There was no objection.

Mr. BUNKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BUNKER: On page 25, line 7, strike out lines 7 to 20, inclusive.

Mr. LUDLOW. Mr. Chairman, it is getting late, and this subject has been pretty thoroughly discussed. I move that

all debate on this paragraph and all amendments thereto close in 20 minutes, the last 2 minutes to be reserved to the committee.

The motion was agreed to.

Mr. BUNKER. Mr. Chairman, the pending amendment to the Treasury-Post Office appropriation bill on the surface may seem to some Members of this body to be mild and harmless. The advocates of this legislation, of course, realize that under the rules of the House it will not be difficult to secure sufficient votes needed for its adoption. They are also fully cognizant of the great difficulties—yes, the impossibility—of its final enactment into law. The Senate, in my judgment, will never approve it.

The proponents of this amendment have as their ultimate objective the establishment of a peacetime precedent designed to permit their constituents, jewelry and silverware manufacturers and the manufacturers of photographic supplies, to use the United States Treasury as a source of supply of silver so vitally needed in the processing of their goods. Not only that, but they want the Treasury to sell silver at 71.11 cents an ounce, a price that is 58 cents less than the Treasury for the past 154 years has been coining and issuing silver, under law, as legal tender to the American public in exchange for goods and services required in the normal transactions of our Government.

There is no valid reason whatsoever for granting such authority to the Treasury. With very few exceptions every article manufactured by the constituents of the proponents of this legislation carries a luxury tax, and therefore, is regarded as nonessential. The goods from which silver is made are not taken into account as a necessary part of our cost-of-living index. This proposal, if enacted into law, would result in a subsidy to the manufacturers of luxury goods at the expense of the taxpayer and would not be attempted if the Treasury Department had performed its duty by monetizing the silver it has acquired under law for the sole purpose of serving as a medium of exchange and as an integral part of the foundation of our currency system.

I wonder if the Members of the House of Representatives are aware of the fact that only on two occasions has the Treasury been authorized by Congress to sell silver at less than \$1.29 an ounce, its monetary price. One of these instances occurred in 1918, during the First World War, and the second in 1943, during the Second World War.

Both were wartime measures. In the first instance, silver was sold at \$1 an ounce, and in the second one at 71.11 cents an ounce, the lowest price at which silver was ever authorized to be sold by the Treasury of the United States. If this amendment is adopted it will establish a market price for silver at least 58 cents an ounce less than the market price that would now prevail, if the price of silver were not restricted.

Instead of subsidizing the manufacturers of nonessential luxury goods, all of the nonmonetized silver in the Treasury, amounting to approximately 250,000,000

ounces, should be coined and circulated at its full monetary value of \$1.29 an ounce so that the people of the United States would receive the benefit of the difference between \$1.29 and 71.11 cents an ounce, the prewar price at which it was acquired from the miner.

Mr. HARLESS of Arizona. Mr. Chairman, will the gentleman yield?

Mr. BUNKER. I yield to my colleague from Arizona.

Mr. HARLESS of Arizona. I want to reiterate what the gentleman from Nevada has said. This is just a plain case of subsidy for the benefit of a certain industry, at the expense of the taxpayers of this country. Let us not be mistaken about the claim that it is going to help the average citizen. To pass this particular law and circumvent the real intent of Congress would be a definite expense to the people of this country.

Mr. BUNKER. I thank the gentleman from Arizona.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. MARTIN].

(Mr. MARTIN of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. MARTIN of Massachusetts. Mr. Chairman, the authority granted in the bill is not giving anyone a subsidy. It gives industries providing work for millions of our countrymen a chance to work. It will not affect adversely any miner. On the contrary, it keeps going industries which have been, and will continue to be, his best customer. The silversmiths, the manufacturers of film for the movies, the manufacturers of photographic equipment, and other industries are going to pay for his silver without any loss to the Government.

Mr. GILLESPIE. Mr. Chairman, will the gentleman yield for a question?

Mr. MARTIN of Massachusetts. No. I have very little time.

Mr. GILLESPIE. There is not a silver mine operating in America today, anywhere.

Mr. MARTIN of Massachusetts. What the gentleman says is partially true. There are very few silver mines operating. It is because silver is a by-product and is generally derived from the mining of copper and gold. This indicates of itself the legislation will not affect the miner. He will keep on working as long as there is a demand for copper and gold. The Treasury officials, the WPB, and all Government officials are in favor of this legislation which is incorporated in the bill. The House has already, on three occasions, passed identical legislation with very little opposition.

Mr. GILLESPIE. Does the gentleman know what silver is selling for in Mexico? Is it selling for \$1.05 now?

Mr. MARTIN of Massachusetts. Because we have a closed market in the world. Silver sold in Mexico before the United States Government commenced pegging prices at 35 cents an ounce. You could buy silver in Mexico for less than 40 cents an ounce. When the United States Government fixed the price at 71.11 cents and started out to buy all the silver the price, of course, advanced to a fraction under that figure, and our Gov-

ernment also regulated and practically prevented private buying of silver abroad.

This legislation will not hurt anyone. It puts to useful work idle silver and fully compensates the Government. If we are going to have prosperity in this country we must give business a chance to get the raw materials for processing purposes. I say this legislation will benefit both the silver miner and the processors.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The Chair recognizes the gentleman from Utah [Mr. GRANGER].

(Mr. GRANGER asked and was given permission to revise and extend his remarks.)

Mr. GRANGER. Mr. Chairman, I am learning new wrinkles on the rules of this House as we go along. It seems to me that this is a most unusual procedure. The fact is, the people who are endeavoring to pass this legislation knew very well that if the legislation should follow its normal course it would never become the law of the land. So they have contrived this means of legislating on an appropriation bill to increase the possibilities of passing this legislation. In my judgment, it will never become law, in spite of the practice that has been engaged in this afternoon.

No one will benefit by this legislation. We claim that the miners of the West, the men who dig the silver from the bowels of the earth, are entitled to make a living. This legislation takes it away from the miners and gives it to a few fabricators of silver and other articles, and even some junk which they sell at tremendously high prices.

The CHAIRMAN. The time of the gentleman from Utah has expired.

The Chair recognizes the gentleman from Massachusetts [Mr. BATES].

Mr. BATES of Massachusetts. Mr. Chairman, in common with other Members of the House who have silver industries in their districts, I hope this amendment offered by the gentleman from Nevada will not prevail this afternoon.

I have a letter from which I want to quote a few paragraphs, in brief time at my disposal. It comes from an industry that is one of the major industries in a small city in my State. They say:

Our problem and that of many other industries using silver in their peacetime product seems to hinge on the renewal of the Green Act, now in committee, which terminates on December 31, 1945.

The supply of newly mined domestic and foreign silver in 1946 and probably 1947 will not take care of the increased use of silver in industry. Unless some Treasury free silver is made available, this company and other companies and the industry will be subject to great hardship, and production and sales will be curtailed at a time in the postwar period when the economy of our country requires increasing rather than decreasing production, sales, and the employment of manpower.

So it seems to me if we wanted to encourage those industries which are old established industries in our communities that we ought to make available to them the raw material they need to carry

on their industrial activities and give employment to men and women.

There seems to be no logical reason why the Treasury Department should not make available this silver to the silversmiths of the country, who are greatly in need of it for manufacturing purposes. It is well known that there is a great shortage of free silver in this country, and because of this condition the silversmiths will be compelled to greatly curtail their activities unless they are permitted to purchase it from the Treasury Department, which has a tremendous amount, far in excess of the monetary requirements, stored away in the vaults. It ought to be put to some practical use and in my opinion no better way can be found than to make it available to those manufacturers who need it to keep their industries going and which in the postwar period will provide employment for their workers. I sincerely trust that the amendment just offered will be defeated.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

The gentleman from Utah [Mr. ROBINSON] is recognized.

Mr. ROBINSON of Utah. Mr. Chairman, I desire to take the minute and a half that is allotted to me to call the attention of the House to the legislative situation we find ourselves in. I believe every Member of the House owes a duty to see to it that legislation which comes before the House is considered by the appropriate legislative committee. I think it is wrong for us to permit members of the Appropriations Committee, no matter how conscientious they may be, to write legislation on an appropriation bill in that committee without any hearings, without any consideration, then get a rule from the Committee on Rules whereby they can bring it before the Committee of the Whole House on the State of the Union without the right on the part of the rest of us to raise a point of order against the legislation.

The ones who are injured this time, and I believe vitally injured, are the silver miners of the West. The next time it may be the farmers of the South. In either case the principle is just as wrong. I believe we ought to get away from this idea of legislating the way we are today.

The CHAIRMAN. The time of the gentleman from Utah has expired.

The gentleman from Wyoming [Mr. BARRETT] is recognized.

Mr. BARRETT of Wyoming. Mr. Chairman, the purpose of this amendment is to make silver a little cheaper for the boys down East here who manufacture silverware; but the over-all effect of this amendment is to reduce the income of the people who dig the only wealth there is right out of the soil, right out of the earth.

The records show that once you reduce the income of the farmer and the miner you destroy the basis upon which the prosperity of the entire country is built, because the national income is now at exactly and precisely nine times the income of all farmers and about five times the income of the farmers and the miners combined.

What does silverware amount to? It is a luxury. Why should we here legislate to give those people that commodity at less than it costs to produce? It just does not make sense to me and I hope this amendment will be agreed to and this provision stricken from the bill.

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

The gentleman from California [Mr. ENGLE] is recognized.

(Mr. ENGLE of California asked and was given permission to revise and extend his remarks.)

Mr. ENGLE of California. Mr. Chairman, I am supporting the Bunker amendment.

The Treasury at the present time pays the silver producer 71.11 cents an ounce for his silver. When the Treasury monetizes this silver it is monetized at \$1.29. In other words, an ounce of silver in the United States Treasury is worth \$1.29. That has been the price of silver in the Treasury for the past 154 years.

The effect of this provision of the bill would be to give the jewelry manufacturers of this country that silver at 71.11 cents an ounce rather than 1.29 cents an ounce. In other words it is like giving them 58 cents out of the Treasury of the United States on every ounce they buy. Why should we give the silver manufacturers—a luxury industry—a subsidy of 58 cents an ounce out of the Federal Treasury?

They are asking the privilege of going to the United States Treasury on the basis of the amount of money paid by the Treasury to the producer. There is no reason why the Treasury of the United States should lose 58 cents on every ounce of silver that goes to the silver manufacturers. If the jewelers are out of silver, they can go to the miners in order to get some more. Unless the OPA takes the ceiling off the price which they put on—that is, 71.11 cents, which is the price the United States Treasury pays to the producers of silver—they will not have to pay more than 71.11 cents per ounce. It all boils down to this: We are giving the silver manufacturers 58 cents out of the United States Treasury unless this amendment is adopted. If this amendment is adopted the jewelers will pay the ceiling price until the ceiling is taken off, and thereafter the price fixed in a free competitive market. Maybe that is what they are afraid of. I hope the amendment will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. D'Ewart].

Mr. D'Ewart. Mr. Chairman, I wish to oppose the rider on House bill 5452 which would permit the Secretary of the Treasury to sell or lease Government-owned silver to private manufacturers at the price of 71.11 cents per ounce—page 25, lines 7-20—and to support the proposed amendment eliminating the paragraph.

Montana is third among silver-producing States of the Nation, and in 1945 produced 6,219,000 ounces. I have had a great deal of correspondence, both letters and telegrams, from my constituents protesting the provisions of the Green bill, S. 1508, and House bill 4503, both of which are almost identical to the section of this bill to which I refer.

In Montana many mines were closed during the war because of the manpower shortage and, in the smaller mines, because their operators were busy in war work or enlisted in the services. These men are returning now to their properties, hoping to reestablish themselves in the industry. Government sale of silver at this price will make it difficult and in some cases impossible for them to succeed.

My constituents believe, and I agree wholeheartedly, that continuation of the Treasury policy of selling silver to jewelers, silversmiths, and others at 71.11 cents per ounce works a grievous hardship on the silver industry, and is, in effect, a Government subsidy of a group of manufacturers whose luxury products are sold at enormous profit.

More than \$2,000,000,000 of silver money based on the full coinage of \$1.29 per ounce is now in use in this country. Lend-lease silver, of which we furnished more than a half billion—600,000,000—ounces to the British, has been coined and is in circulation at coinage values well above the Treasury's proposed selling price.

We believe that the manufacturers should be required to pay at least as much for Government-owned silver as the people of the United States, who do business with the \$1.29 dollar. If the manufacturers must buy Government silver, let them pay the price, and let the taxpayers of the entire Nation benefit if a profit accrues to the Treasury.

I oppose the inclusion of lines 7 to 20, page 25, in House bill 5452, and ask that the amendment be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Taber].

Mr. Taber. Mr. Chairman, if the amendment striking out this language should be adopted and the language not become law, it would be the most serious blow that could be struck at the silver-mining industry, because it would destroy their legitimate market for silver. It would drive our photographic industry and our silversmith industry out of the United States. They would have to go to foreign sources to get silver.

Let us keep this language in, and let mining and industry in the United States have a chance.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho [Mr. White].

Mr. White. Mr. Chairman, a minute and a half is a pretty short time in which to dispose of \$2,000,000,000 of good money metal in the Treasury of the United States, money metal that is already bought and paid for, ready to be issued and put into circulation in the form of silver certificates or silver dollars.

The issue here is clear cut. It is a question whether the American people shall use their silver metal that has been bought and paid for, now idle in the Treasury of the United States, for money, thereby saving a great deal of money in the form of interest that they will have to pay for its equivalent in Federal Reserve money. Take out your pencil and figure 6 percent on \$2,000,000,000 and you will realize that that is what the American people will lose if the silver is dis-

posed of to the jewelry trade under the provisions of this bill. Figure it out.

The jewelry trade is already profiteering. Silver is worth \$1.29 all over the world.

I wish the gentleman from New York who is always harping on silver would get the Treasury's bulletin and read the signiorage tables and he will find out where Uncle Sam has made a billion dollars in signiorage in connection with silver that has been converted into money under the Silver Purchase Act. There has been a tremendous saving in interest, which is all in the form of economy that he advocates, if he advocates economy at all, and I sometimes wonder if he does.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr. Murdock].

Mr. Murdock. Mr. Chairman, I support the amendment on the desk. I had a similar amendment to offer if this had not been offered. I want to strike the language on page 25 permitting the sale of silver from the United States Treasury at 71.11 cents per ounce. There are many different angles to this proposal and the minute and a half will not permit me to touch on many of them. But following what my good friend the gentleman from Idaho has just said, this bill will immediately affect about 240,000,000 ounces of silver which is in the Treasury without monetary obligation.

Now, what can we do with it? We can sell 240,000,000 ounces of silver to the trade at 71.11 cents, silver which they want and which this bill will permit them to buy if the amendment is not carried. What should we properly do with that silver? We can convert that 240,000,000 ounces of silver into paper money, silver certificates, or coin it into dollars, as we have already done with many other millions of ounces, and it will give us \$300,000,000 of good money, the very kind that you get from the Sergeant at Arms when you go down to cash your check. Now we need \$300,000,000 of money in the Treasury.

You have your choice. What kind of money do you want? Perhaps some of you want money which costs 5 percent interest in order to call it into being. What is 5 percent interest on \$300,000,000? Figure it out. That is exactly what you can save for the country annually by using this silver in the Treasury as it was intended to be used instead of selling it for loving cups and paying banks to furnish us \$300,000,000 of another kind of money instead. Where are the guardians of the Treasury?

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. Ludlow] to close debate.

Mr. Ludlow. Mr. Chairman, a good deal of heat has been generated by this discussion, and I shall be happy if I can generate just a little bit of light. The Secretary of the Treasury is under statutory mandate to buy silver until the price of silver reaches \$1.29 an ounce or until the stock of silver equals one-fourth of the entire monetary stock of the country. The total silver stock of the United States is 2,500,000,000 ounces, of which 1,377,328,371.3 ounces is pledged to redeem the silver certificates. There is

quite an element of silver dollars entering into the equation there, but there is also an accumulation of \$243,000,000 of free silver for which the Treasury of the United States paid on the average 46 $\frac{2}{3}$ cents an ounce. It is proposed to sell this silver to the trade at 71.11 cents an ounce which will give a profit of 24.45 cents an ounce to the Treasury. On the whole the Treasury will make about \$59,-413,500 profit if it sells all this silver under the provisions of this bill at 71.11 cents an ounce.

The question is whether this great reservoir of silver lying idle in the vaults of the Treasury shall be put to some good use. It is serving no useful purpose where it is. The silversmiths are crying for silver. It is very much needed to give employment to the people of this country, and it seems to me the wise and the sensible thing to do is to make it available for that purpose. The House has passed on this proposition. I have in my hand here a copy of the bill H. R. 4590, which passed the House on December 19 last. It is identical with the proposal in this bill.

The CHAIRMAN. The time of the gentleman from Indiana has expired. All time has expired.

The question is on the amendment offered by the gentleman from Nevada [Mr. BUNKER].

The question was taken; and on a division (demanded by Mr. BUNKER) there were—ayes 26, noes 56.

So the amendment was rejected.

Mr. HARE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARE:

On page 37, line 22, after "substitutes", insert a comma and the following: "for delivery service on all holidays except Sundays."

On page 38, line 1, strike out "\$114,500,000" and insert "\$116,500,000."

Mr. LUDLOW. Mr. Chairman, I move that all debate on the bill close in 10 minutes, 1 minute of that time to be reserved to the committee.

The motion was agreed to.

[Mr. HARE addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from Arkansas [Mr. HAYS].

Mr. HAYS. Mr. Chairman, some time ago I introduced a bill similar to the amendment offered by the gentleman from South Carolina designed to accomplish the same purpose, that is to provide mail delivery on the holidays for the rural routes. When the suggestion first was made to me by the editor of one of the daily papers in my district, I was inclined not to attach much weight to it. Eight days a year seemed of minor importance but I have concluded that this would be a great help to rural patrons. I received a good deal of mail on the subject when I indicated that I was giving some consideration to Mr. HARE's suggestion. The editor of the daily paper who wrote me stated that many of his patrons complained because they could not get their daily papers on the holidays. This is only one item on the list of inconveniences. The city dweller is not so handicapped. He can buy his news-

paper at the corner store. Other facilities are available to him but the only way the rural patron can get his holiday mail is through the method described by the gentleman from South Carolina.

We ought to do this to mitigate to some extent the disadvantages suffered by the rural patrons. We ought to do everything we can to add to the comforts and conveniences of farm life. I join with my colleague, the gentleman from South Carolina, in agreeing that we have had much support in recent years in efforts to increase service to the farm population in various departments but many things remain to be done. The item is not large considered in relation to the total Department budget, but it is a matter of great importance to those to whom the daily mail means so much.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, I think this amendment should not be agreed to. It will cost ten or twelve million dollars and nobody wants rural mail delivery on holidays.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. O'NEAL] to close debate.

Mr. O'NEAL. Mr. Chairman, there is no more zealous or forceful advocate of the farm people than the gentleman from South Carolina [Mr. HARE], but this is a rather strange situation. He is asking that we provide money for rural delivery service on holidays, and I am informed that all the post offices, except first-class post offices, are closed on holidays. So you would be providing money for the delivery of mail when the post office itself is not open.

Now, that is just untenable. The amendment the gentleman has offered will cost \$2,000,000 more and will accomplish nothing.

I regret very much to have to oppose anything the gentleman from South Carolina is asking for, but certainly, just to put money for holiday deliveries in the bill when the post offices are closed on holidays accomplishes nothing. Incidentally, I have always thought the carriers were entitled to holidays as well as other people. While you are favoring some of the people you might continue to think of the carriers and give them a holiday also. But let us not provide for something in the bill for holiday delivery service when the post offices themselves will not be open; the mail will be locked up and cannot be delivered. The amendment should be defeated.

Mr. HARE. Mr. Chairman, will the gentleman yield?

Mr. O'NEAL. Yes, I yield.

Mr. HARE. This does not interfere with the carriers. The substitute will carry the mail and he has no holidays.

Furthermore, the gentleman should know that all second-class offices are open on holidays and the people who live in the towns and vicinities can go there and get their mail.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The question is on the amendment offered by the gentleman from South Carolina [Mr. HARE].

The amendment was rejected.

Mr. LUDLOW. Mr. Speaker, I move that the Committee do now rise and report the bill back to the House, with the recommendation that the bill be agreed to.

The motion was agreed to.

Accordingly the Committee rose; and Mr. McCORMACK having assumed the chair as Speaker pro tempore, Mr. PRIEST, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee had had under consideration the bill H. R. 5452, and directed him to report the same back to the House, with the recommendation that the bill do pass.

Mr. LUDLOW. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HILL asked and was given permission to extend his remarks in the RECORD and include a letter written by the Secretary of the Interior, Mr. Ickes, to the President of the United States.

Mr. WHITE asked and was given permission to extend his remarks in the RECORD and include certain excerpts.

Mr. BATES of Massachusetts asked and was given permission to extend his own remarks in the RECORD.

Mr. CANFIELD asked and was given permission to extend his remarks in the Appendix of the RECORD and include a poem written by a constituent.

RELIEF FOR THE NEEDY OF OTHER LANDS

The SPEAKER. Under the previous order of the House, the gentleman from Wisconsin [Mr. SMITH] is recognized for 20 minutes.

Mr. SMITH of Wisconsin. Mr. Speaker, this country has invoked a savage policy of vengeance against starving and clothless people of enemy countries. President Truman is adamant in his refusal to permit the shipment, by private agencies, of clothing and medicine to the people who need it so badly in Germany. This is a matter, Mr. Speaker, that demands the attention of the Congress, notwithstanding the attitude of the President.

Mr. Speaker, I have introduced a resolution whereby the Congress expresses itself to the end that the President should grant permission to organizations engaged in relief activities to distressed peoples in foreign countries be allowed to give to those nations with whom we were at war. By so doing we in no way condone the acts of the war leaders of those countries, nor is it an admission that we are going "soft." It is nothing less, Mr. Speaker, than common decency.

I am reliably informed, Mr. Speaker, that shoes and clothing in large amounts are waiting shipment by private agencies to Germany and Austria but clearance has been denied by our authorities. If

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

FEBRUARY 15 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **TITLE I—TREASURY DEPARTMENT**

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1947,
7 namely:

1 OFFICE OF THE SECRETARY

2 Salaries: Secretary of the Treasury, Under Secretary of
3 the Treasury, Fiscal Assistant Secretary of the Treasury,
4 two Assistant Secretaries of the Treasury, and other per-
5 sonal services in the District of Columbia, \$422,000: *Pro-*
6 *vided*, That no part of the money appropriated shall be used
7 to pay the salaries of more than eighteen messengers assigned
8 to duty in the Office of the Secretary.

9 Penalty mail costs: For deposit in the general fund of
10 the Treasury for cost of penalty mail of the Treasury De-
11 partment as required by section 2 of the Act of June 28,
12 1944 (Public Law 364), \$4,400,000.

13 FOREIGN FUNDS CONTROL

14 Foreign funds control: For all expenses necessary in
15 carrying out the functions of the Secretary of the Treasury
16 under sections 3 and 5 (b) of the Act of October 6,
17 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C.
18 (Suppl. 1941) 5 (b)), and any proclamations, orders,
19 regulations, or instructions issued thereunder; and in exer-
20 cising fiscal, financial, banking, property-control, and related
21 functions, authorized by law, administered by the Treas-
22 ury Department in foreign countries and arising out of
23 military operations of the United States; including personal
24 services; purchase of lawbooks, books of reference, periodi-
25 cals, and newspapers; printing and binding; maintenance, re-

1 pair, and operation of a motor-propelled passenger-carrying
2 vehicle; and reimbursement of any other appropriation or
3 other funds of the United States or any agency, instrumen-
4 tality, Territory, or possession thereof, including the Philip-
5 pine Islands, and reimbursement of any Federal Reserve
6 bank for printing and other expenditures; \$1,000,000.

7 DIVISION OF TAX RESEARCH

8 Salaries: For personal services in the District of Colum-
9 bia, \$175,000.

10 OFFICE OF TAX LEGISLATIVE COUNSEL

11 Salaries: For personal services in the District of Colum-
12 bia, \$87,500.

13 DIVISION OF RESEARCH AND STATISTICS

14 Salaries: For personal services in the District of Colum-
15 bia, \$165,000.

16 OFFICE OF GENERAL COUNSEL

17 Salaries: For the General Counsel and other personal
18 services in the District of Columbia, \$175,000.

19 DIVISION OF PERSONNEL

20 Salaries: For the Chief of the Division, and other per-
21 sonal services in the District of Columbia, \$190,000.

22 OFFICE OF CHIEF CLERK

23 Salaries: For the Chief Clerk and other personal services
24 in the District of Columbia, \$350,000.

1 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

2 Miscellaneous expenses: For all necessary miscellaneous
3 expenses of the Office of the Secretary and the bureaus
4 and offices of the Treasury Department, not otherwise pro-
5 vided for; including operating expenses of the Treasury,
6 Treasury Annex, Auditors', and Liberty Loan Buildings;
7 books of reference, lawbooks, and periodicals; newspapers;
8 not to exceed \$15,000 for travel expenses; maintenance,
9 operation, and repair of three passenger automobiles (one
10 for the Secretary of the Treasury and two for general use
11 of the Department), all to be used for official purposes only;
12 not to exceed \$500 for streetcar fares; and not to exceed
13 \$25,000 for stationery; \$230,000.

14 Printing and binding: For printing and binding for
15 the Treasury Department and its several bureaus and offices,
16 and field services thereof, except such bureaus and offices
17 as may be otherwise specifically provided for, including
18 materials for the use of the bookbinder, located in the Treas-
19 ury Department, but not including work done at the
20 New York Customhouse bindery authorized by the Joint
21 Committee on Printing in accordance with the Act of March
22 1, 1919 (44 U. S. C. 111), \$28,000.

23 CUSTODY OF TREASURY BUILDINGS

24 Salaries of operating force: For the Superintendent of
25 Treasury Buildings and for other personal services in the

1 District of Columbia, including the operating force of the
2 Treasury Building, the Treasury Annex, the Liberty Loan
3 Building, the Auditors' Building, and the west and south
4 annexes thereof, \$555,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For all necessary expenses in
8 the District of Columbia, except printing and binding of the
9 Bureau of Accounts, including contract stenographic report-
10 ing services, stationery (not to exceed \$10,000), supplies
11 and equipment; purchase and exchange of lawbooks, books
12 of reference, periodicals, and newspapers; travel expenses,
13 \$850,000.

14 Salaries and expenses, deposit of withheld taxes: For
15 all necessary expenses incident to the deposit of withheld
16 taxes in Government depositories pursuant to the Current
17 Tax Payment Act of 1943, including personal services in
18 the District of Columbia; not to exceed \$15,000 for print-
19 ing and binding; and reimbursement to Federal Reserve
20 banks for printing and other necessary expenses, \$475,000.

21 Printing and binding: For printing and binding for
22 the Bureau of Accounts, \$35,000.

23 Division of Disbursement, salaries and expenses: For
24 all necessary expenses, except printing and binding, of the
25 Division of Disbursement, including personal services in

1 the District of Columbia, stationery and travel; \$7,100,000,
 2 of which not to exceed \$1,000,000 shall be available imme-
 3 diately: *Provided*, That with the approval of the Bureau of
 4 the Budget there may be transferred to this appropriation
 5 and to the appropriation "Printing and binding, Division of
 6 Disbursement" from funds respectively available for such
 7 purposes for the Federal Housing Administration, Federal
 8 Public Housing Authority, Federal Prison Industries, Rail-
 9 road Retirement Board, United States Maritime Commission,
 10 the Farm Security Administration, and the Production and
 11 Marketing Administration (including the Federal Surplus
 12 Commodities Corporation, the Federal Crop Insurance Cor-
 13 poration, and the Commodity Credit Corporation), such
 14 sums as may be necessary to cover the expense incurred in
 15 performing the function of disbursement therefor.

16 Printing and binding: For printing and binding,
 17 Division of Disbursement, including the cost of transporta-
 18 tion to field offices of printed and bound material and the cost
 19 of necessary packing boxes and packing materials, \$184,000.

20 Contingent expenses, public moneys: For contingent
 21 expenses under the requirements of section 3653 of the Re-
 22 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
 23 ing, transfer, and disbursement of the public money, trans-
 24 portation of notes, bonds, and other securities of the United
 25 States, transportation of gold coin and gold certificates trans-

ferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649, Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$415,000.

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$140,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska (not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska), to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$19,000.

Refund of moneys erroneously received and covered (indefinite appropriation): To enable the Secretary of the Treasury to meet any expenditures of the character formerly

1 chargeable to the appropriation accounts abolished under
2 section 18 of the Permanent Appropriation Repeal Act of
3 1934, approved June 26, 1934, and any other collections
4 erroneously received and covered which are not properly
5 chargeable to any other appropriation, there is hereby made
6 available such amount as may be necessary.

7 Payment of certified claims (indefinite appropriation) :
8 To enable the Secretary of the Treasury to pay claims (not
9 to exceed \$500 in any case) which may be certified during
10 the fiscal year 1947 by the Comptroller General of the
11 United States to be lawfully due, within the limits of, and
12 chargeable against the balances of the respective appro-
13 priations heretofore made which, after remaining unexpended,
14 have been carried to the surplus fund pursuant to section 5
15 of the Act of June 20, 1874 (31 U. S. C. 713), there is
16 hereby made available such sum as may be necessary.

17 Payment of unclaimed moneys (indefinite appropria-
18 tion) : To enable the Secretary of the Treasury to meet any
19 expenditures of the character formerly chargeable to the
20 appropriation accounts abolished under section 17 of the
21 Permanent Appropriation Repeal Act of 1934, approved
22 June 26, 1934, payable from the funds held by the United
23 States in the trust fund receipt account "Unclaimed moneys
24 of individuals whose whereabouts are unknown", there is
25 hereby made available such amount as may be necessary.

BUREAU OF THE PUBLIC DEBT

Administering the public debt: For necessary expenses connected with any public-debt operations authorized by the Second Liberty Bond Act, as amended (31 U. S. C. 760-762), and with the administration of any public debt or currency issues of the United States with which the Secretary of the Treasury is charged, \$64,700,000, to be expended as the Secretary of the Treasury may direct: *Provided*, That from the amount appropriated herein, the Federal Reserve banks and their branches may be reimbursed for expenditures made by them as fiscal agents of the United States on account of public-debt transactions for the account of the Secretary of the Treasury, and advances to the Postmaster General may be made in accordance with the provisions of section 22 (e) of the Second Liberty Bond Act, as amended (31 U. S. C. 757c (e)), which section shall be construed as applying to this appropriation: *Provided further*, That the indefinite appropriation provided by section 10 of the Second Liberty Bond Act, as amended, shall not be available for obligation during the fiscal year 1947.

Distinctive paper for United States currency: For distinctive paper for United States currency, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees and allowance, in lieu

1 of expenses, of officer or officers detailed from the Treasury.
2 Department, not exceeding \$50 per month each when ac-
3 tually on duty, \$775,000: *Provided*, That in order to foster
4 competition in the manufacture of distinctive paper for
5 United States securities, the Secretary of the Treasury is
6 authorized, in his discretion, to split the award for such
7 paper for the fiscal year 1947 between the two bidders
8 whose prices per pound are the lowest received after adver-
9 tisement.

10 OFFICE OF THE TREASURER OF THE UNITED STATES

11 Salaries and expenses: For all necessary expenses, ex-
12 cept printing and binding, of the Office of the Treasurer of
13 the United States, including purchase of periodicals and
14 books of reference, \$4,750,000: *Provided*, That with the
15 approval of the Bureau of the Budget, there may be trans-
16 ferred to this appropriation and to the appropriation "Print-
17 ing and binding, Office of the Treasurer of the United
18 States", from funds respectively available for such purposes
19 for the Home Owners' Loan Corporation, Tennessee Valley
20 Authority, Reconstruction Finance Corporation, Federal land
21 banks and other banks and corporations under the super-
22 vision of the Farm Credit Administration, Railroad Retire-
23 ment Board, United States Maritime Commission, Federal
24 Housing Administration, Federal Public Housing Authority,
25 Federal Farm Mortgage Corporation, Farm Security Ad-

1 ministration, Production and Marketing Administration
2 (including the Federal Surplus Commodities Corporation,
3 the Federal Crop Insurance Corporation, and the Com-
4 modity Credit Corporation), and corporations and banks
5 under the Federal Home Loan Bank Administration, such
6 sums as may be necessary to cover the expenses incurred
7 on account of such respective activities in clearing of checks,
8 servicing of bonds, handling of collections, and rendering of
9 accounts therefor.

10 Salaries (reimbursable) : For personal services in the
11 District of Columbia, in redeeming Federal Reserve notes,
12 \$110,000, to be reimbursed by the Federal Reserve banks.

13 Printing and binding: For printing and binding for
14 the Office of the Treasurer of the United States, \$215,000.

15 BUREAU OF CUSTOMS

16 Salaries and expenses: For collecting the revenue from
17 customs, for enforcement, as specified in Executive Order
18 9083, of certain navigation laws, for the detection and pre-
19 vention of frauds upon the customs revenue, and not to exceed
20 \$100,000 for the securing of evidence of violations of the
21 customs and navigation laws; for expenses of transportation
22 and transfer of customs receipts from points where there are
23 no Government depositories; not to exceed \$84,500 for for-
24 eign living allowances; not to exceed \$500 for subscriptions
25 to newspapers; not to exceed \$85,000 for stationery; not

1 to exceed \$12,000 for improving, repairing, maintaining,
2 or preserving buildings, inspection stations, office quarters,
3 including living quarters for officers, sheds, and sites along
4 the Canadian and Mexican borders acquired under authority
5 of the Act of June 26, 1930 (19 U. S. C. 68) ; and for the
6 purchase (not to exceed one hundred and fifty), mainte-
7 nance, repair, and operation of motor-propelled passenger-
8 carrying vehicles when necessary for official use in field
9 work; for the payment of extra compensation earned by
10 customs officers or employees for overtime services, at the
11 expense of the parties in interest, in accordance with the
12 provisions of section 5 of the Act approved February 13,
13 1911, as amended by the Act approved February 7, 1920,
14 and section 451 of the Tariff Act, 1930, as amended (19 U.
15 S. C. 261, 267, and 1451), the receipts from such overtime
16 services to be deposited as a refund to the appropriation
17 from which such overtime compensation is paid, in accord-
18 ance with the provisions of section 524 of the Tariff Act
19 of 1930, as amended; for the cost of seizure storage and dis-
20 position of any merchandise, vehicle and team, automobile,
21 boat, air or water craft, or any other conveyance seized
22 under the provisions of the customs laws; for the purchase
23 of arms, ammunition, and accessories; not to exceed
24 \$689,000 for personal services in the District of Co-
25 lumbia exclusive of ten persons from the field force

1 authorized to be detailed under section 525 of the Tariff
2 Act of 1930; and reimbursement, at not to exceed 3 cents
3 per mile, of employees for travel performed by them in pri-
4 vately owned automobiles while engaged in inspecting,
5 guarding, admeasuring, examining, sampling, investigating,
6 and storekeeping duties within the limits of their official
7 station; \$29,350,000, of which \$300,000 shall constitute an
8 advance fund to enable the Bureau of Customs to meet obli-
9 gations incurred by it arising from services rendered to
10 private interests, pending receipt of reimbursements there-
11 from, which amount shall be returned to the Treasury not
12 later than six months after the close of the fiscal year 1947.

13 Printing and binding: For printing and binding, Bureau
14 of Customs, including the cost of transportation to field offices
15 of printed and bound material and the cost of necessary
16 packing boxes and packing materials, \$80,000.

17 Refunds and drawbacks (indefinite appropriation):
18 For the refund or payment of customs collections or receipts,
19 and for the payment of debentures or drawbacks, bounties,
20 and allowances, as authorized by law, there is hereby made
21 available such amount as may be necessary.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For salaries and expenses in
24 connection with the assessment and collection of internal-
25 revenue taxes and the administration of the internal-revenue

1 laws, including the administration of such provisions of other
2 laws as are authorized by or pursuant to law to be admin-
3 istered by or under the direction of the Commissioner of
4 Internal Revenue, including one stamp agent (to be reim-
5 bursed by the stamp manufacturers) and the employment
6 of experts; the securing of evidence of violations of the Acts,
7 the cost of chemical analyses made by others than em-
8 ployees of the United States and expenses incident to such
9 chemists testifying when necessary; telegraph and telephone
10 service, postage, freight, express, necessary expenses in-
11 curred in making investigations in connection with the en-
12 rollment or disbarment of practitioners before the Treasury
13 Department in internal-revenue matters, expenses of seizure
14 and sale, and other necessary miscellaneous expenses, in-
15 cluding stenographic reporting services; for the acquisition
16 of property under the provisions of title III of the Liquor
17 Law Repeal and Enforcement Act, approved August 27,
18 1935 (49 Stat. 872-881), and the operation, maintenance,
19 and repair of property acquired under such title III; for
20 the purchase (not to exceed thirty-four), hire, maintenance,
21 repair, and operation of motor-propelled or horse-drawn
22 passenger-carrying vehicles when necessary, for official use
23 of the Alcohol Tax and Intelligence Units in field work;
24 printing and binding (not to exceed \$2,200,000); and the
25 procurement of such supplies, stationery (not to exceed

1 \$1,575,000), equipment, furniture, mechanical devices, labo-
2 ratory supplies, periodicals, newspapers for the Alcohol Tax
3 Unit, ammunition, lawbooks, and books of reference, and
4 such other articles as may be necessary, \$184,700,000, of
5 which amount not to exceed \$14,440,000 may be expended
6 for personal services in the District of Columbia: *Provided*,
7 That not more than \$100,000 of the total amount appro-
8 priated herein may be expended by the Commissioner of
9 Internal Revenue for detecting and bringing to trial persons
10 guilty of violating the internal-revenue laws or conniving at
11 the same, including payments for information and detection
12 of such violation.

13 Refunds and payments of processing and related taxes:
14 For refunds and payments of processing and related taxes
15 as authorized by titles IV and VII, Revenue Act of 1936,
16 as amended; for refunds of taxes collected (including penal-
17 ties and interest) under the Cotton Act of April 21, 1934,
18 as amended (48 Stat. 598), the Tobacco Act of June 28,
19 1934, as amended (48 Stat. 1275), and the Potato Act
20 of August 24, 1935 (49 Stat. 782), in accordance with
21 the Second Deficiency Appropriation Act, fiscal year 1938
22 (52 Stat. 1150), as amended, and as otherwise authorized
23 by law; and for redemption of tax stamps purchased under
24 the aforesaid Tobacco and Potato Acts, there is hereby con-
25 tinued available, during the fiscal year 1947, the unexpended

1 balance of the funds made available to the Treasury Depart-
2 ment for these purposes for the fiscal year 1946 by the
3 Treasury Department Appropriation Act, 1946.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$7,000.

12 Refunding internal-revenue collections (indefinite ap-
13 propriation) : For refunding internal-revenue collections, as
14 provided by law, including the payment of claims for the
15 prior fiscal years and payment of accounts arising under
16 "Allowance or draw-back (Internal Revenue)", "Redemp-
17 tion of stamps (Internal Revenue)", "Refunding legacy
18 taxes, Act of March 30, 1928", and "Repayment of taxes on
19 distilled spirits destroyed by casualty", there is hereby
20 appropriated such amount as may be necessary: *Provided,*
21 That a report shall be made to Congress by internal-revenue
22 districts and alphabetically arranged of all disbursements
23 hereunder in excess of \$500 as required by section 3 of the
24 Act of May 29, 1928 (sec. 3776, I. R. C.), including the

1 names of all persons and corporations to whom such pay-
2 ments are made, together with the amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses to enforce sections
5 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-
6 3238 of the Internal Revenue Code; the Narcotic Drugs
7 Import and Export Act, as amended (21 U. S. C. 171-
8 184); the Act of June 14, 1930 (5 U. S. C. 282-282c and
9 21 U. S. C. 197-198) and the Opium Poppy Control Act
10 of 1942 (21 U. S. C. Supp. IV, 188-188n), includ-
11 ing the employment of executive officers, attorneys, agents,
12 inspectors, chemists, supervisors, clerks, messengers, and
13 other necessary employees in the field and in the Bureau
14 of Narcotics in the District of Columbia, to be appointed
15 as authorized by law; the securing of information and evi-
16 dence of violations of the afore-mentioned laws and regula-
17 tions promulgated thereunder; the costs of chemical analyses
18 made by others than employees of the United States; the
19 purchase of such supplies, equipment, mechanical devices,
20 books, stationery (not to exceed \$6,000); and such other
21 expenditures as may be necessary in the several field offices;
22 cost incurred by officers and employees of the Bureau of
23 Narcotics in the seizure, forfeiture, storage, and disposition
24 of property under the Act of August 9, 1939 (49 U. S. C.

1 781-788) and the internal-revenue laws; hire, maintenance,
 2 repair, and operation of motor-propelled or horse-drawn
 3 passenger-carrying vehicles when necessary for official use
 4 in field work; purchase of arms and ammunition; in all,
 5 \$1,300,000, of which amount not to exceed \$193,319
 6 may be expended for personal services in the Dis-
 7 trict of Columbia: *Provided*, That not exceeding \$10,000
 8 may be expended for the collection and dissemination of in-
 9 formation and appeal for law observance and law enforce-
 10 ment, including cost of printing, purchase of newspapers, and
 11 other necessary expenses in connection therewith: *Provided*
 12 *further*, That not exceeding \$10,000 may be expended for
 13 services or information looking toward the apprehension of
 14 narcotic law violators who are fugitives from justice.

15 Printing and binding: For printing and binding for the
 16 Bureau of Narcotics, \$4,000.

17 BUREAU OF ENGRAVING AND PRINTING

18 For the work of engraving and printing, exclusive of
 19 repay work, during the fiscal year 1947, United States
 20 currency and internal-revenue stamps, including opium
 21 orders and special-tax stamps required under the Act of
 22 December 17, 1914 (26 U. S. C. 1040, 1383), checks,
 23 drafts, and miscellaneous work, as follows:

24 Salaries and expenses: For the Director, two Assistant
 25 Directors, and other personal services in the District of

1 Columbia, including wages of rotary press plate printers
2 at per diem rates and all other plate printers at piece rates
3 to be fixed by the Secretary of the Treasury, not to exceed
4 the rates usually paid for such work; and all other necessary
5 expenses, except printing and binding, including engravers'
6 and printers' materials and other materials, including dis-
7 tinctive and nondistinctive paper, except distinctive paper
8 for United States currency and Federal Reserve bank cur-
9 rency; purchase of card and continuous form checks; equip-
10 ment of, repairs to, and maintenance of buildings and grounds
11 and minor alterations to buildings; periodicals, examples of
12 engraving and printing, including foreign securities and
13 stamps, and books of reference, not to exceed \$500; travel-
14 ing expenses not to exceed \$15,000; articles approved
15 by the Secretary of the Treasury as being necessary
16 for the protection of the person of employees, not to
17 exceed \$2,200; stationery, not to exceed \$5,000; transfer
18 to the Bureau of Standards for scientific investigations in
19 connection with the work of the Bureau of Engraving and
20 Printing, not to exceed \$15,000; and maintenance and
21 operation of two motor-propelled passenger-carrying vehicles;
22 \$11,750,000, to be expended under the direction of the
23 Secretary of the Treasury.

24 Printing and binding: For printing and binding for the
25 Bureau of Engraving and Printing, \$5,500.

1 During the fiscal year 1947 all proceeds derived
2 from work performed by the Bureau of Engraving and Print-
3 ing, by direction of the Secretary of the Treasury, not covered
4 and embraced in the appropriations for such Bureau for such
5 fiscal year, instead of being covered into the Treasury as
6 miscellaneous receipts, as provided by the Act of August 4,
7 1886 (31 U. S. C. 176), shall be credited when received
8 to the appropriations for such Bureau for the fiscal year
9 1947.

10 SECRET SERVICE DIVISION

Salaries: For the Chief of the Division and other personal services in the District of Columbia, \$100,000.

13 Suppressing counterfeiting and other crimes: For sal-
14 aries and other expenses in detecting, arresting, and deliver-
15 ing into the custody of the United States marshal or other
16 officer having jurisdiction, dealers and pretended dealers in
17 counterfeit money, persons engaged in counterfeiting, forg-
18 ing, and altering United States notes, bonds, national bank
19 notes, Federal Reserve notes, Federal Reserve bank notes,
20 and other obligations and securities of the United States
21 and of foreign governments (including endorsements thereon
22 and assignments thereof), as well as the coins of the United
23 States and of foreign governments, and persons committing
24 other crimes against the laws of the United States relating
25 to the Treasury Department and the several branches of

1 the public service under its control; purchase (not to exceed
2 sixty), hire, maintenance, repair, and operation of motor-
3 propelled passenger-carrying vehicles when necessary; pur-
4 chase of arms and ammunition; stationery (not to exceed
5 \$7,500) ; traveling expenses; and for no other purpose what-
6 soever, except in the performance of other duties specifically
7 authorized by law, and in the protection of the person of the
8 President and the members of his immediate family and of
9 the person chosen to be President of the United States;
10 \$1,800,000: *Provided*, That of the amount herein appro-
11 priated not to exceed \$15,000 may be expended for the
12 purpose of securing information concerning violations of the
13 laws relating to the Treasury Department, and for services
14 or information looking toward the apprehension of criminals,
15 and all vouchers claiming reimbursement from such amount
16 of \$15,000 shall have the approval of the Chief of the Secret
17 Service before payment.

18 White House Police: For one captain, one inspector,
19 four lieutenants, six sergeants, and one hundred and two
20 privates, at rates of pay provided by law, \$325,000, not-
21 withstanding the provisions of the Act of April 22, 1940
22 (3 U. S. C. 62) .

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President in
2 his discretion may determine, \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For salaries and expenses of the guard force for Treasury
5 Department buildings in the District of Columbia, includ-
6 ing the Bureau of Engraving and Printing, and elsewhere,
7 including purchase, repair, and cleaning of uniforms, pur-
8 chase (not to exceed three), maintenance, repair, and opera-
9 tion of motor-propelled passenger-carrying vehicles, and the
10 purchase of arms and ammunition and miscellaneous equip-
11 ment, \$825,000: *Provided*, That not to exceed \$140,554
12 of the appropriation "Salaries and expenses, Bureau of
13 Engraving and Printing", may be transferred to this appro-
14 priation to cover service rendered such Bureau in connection
15 with the protection of currency, bonds, stamps, and other
16 papers of value the cost of producing which is not covered
17 and embraced in the direct appropriations for such Bureau:
18 *Provided further*, That the Secretary of the Treasury may
19 detail two agents of the Secret Service to supervise such
20 force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces:
25 To enable the Secretary of the Treasury to reimburse the

1 District of Columbia on a monthly basis for benefit payments
2 made from the revenues of the District of Columbia to mem-
3 bers of the White House Police force and such members of
4 the United States Secret Service Division as are entitled
5 thereto under the Act of October 14, 1940 (54 Stat. 1118),
6 to the extent that such benefit payments are in excess of
7 the salary deductions of such members credited to said
8 revenues of the District of Columbia during the fiscal year
9 1947, pursuant to section 12 of the Act of September 1,
10 1916 (39 Stat. 718), as amended, \$45,000.

11 BUREAU OF THE MINT

12 Salaries and expenses, Office of the Director: For per-
13 sonal services in the District of Columbia and for assay
14 laboratory chemicals, fuel, materials, balances, weights,
15 stationery (not to exceed \$700), books, periodicals, speci-
16 mens of coins, ores, and travel and other expenses incident
17 to the examination of mints, visiting mints for the purpose
18 of superintending the annual settlement, and for the collec-
19 tion of statistics relative to the annual production and con-
20 sumption of the precious metals in the United States,
21 \$170,000.

22 Transportation of bullion and coin: For transportation
23 of bullion and coin, by registered mail or otherwise, between
24 mints, assay offices, and bullion depositories, \$85,000, in-

1 cluding compensation of temporary employees and other
2 necessary expenses.

3 Salaries and expenses, mints and assay offices: For com-
4 pensation of officers and employees of the mints at Philadel-
5 phia, Pennsylvania; San Francisco, California; and Denver,
6 Colorado; the assay offices at New York, New York; and
7 Seattle, Washington, and the bullion depositories at Fort
8 Knox, Kentucky; and West Point, New York, including
9 necessary personal services for carrying out the provisions
10 of the Gold Reserve Act of 1934 and the Silver Purchase
11 Act of 1934, and any Executive orders, proclamations, and
12 regulations issued thereunder, and for incidental and con-
13 tingent expenses, including traveling expenses, stationery
14 (not to exceed \$3,900), new machinery and repairs,
15 arms and ammunition, purchase and maintenance of uni-
16 forms and accessories for guards, protective devices, and
17 their maintenance, training of employees in use of firearms
18 and protective devices, maintenance, repair, and operation
19 of three motor-propelled passenger-carrying vehicles, cases
20 and enameling for medals manufactured, net wastage in
21 melting and refining and in coining departments, loss on sale
22 of sweeps arising from the treatment of bullion and the
23 manufacture of coins, not to exceed \$500 for the expenses
24 of the annual assay commission, and not exceeding \$1,000
25 for the acquisition, at the dollar face amount or otherwise, of

1 specimen and rare coins, including United States and foreign
2 gold coins and pieces of gold used as, or in lieu of, money,
3 and ores, for addition to the Government's collection of such
4 coins, pieces, and ores; \$6,000,000.

5 Printing and binding: For printing and binding for the
6 Bureau of the Mint, \$9,500.

7 For a period of two years following the enactment of
8 this Act, the Secretary of the Treasury is authorized to sell
9 or lease for manufacturing uses, including manufacturing
10 uses incident to reconversion and the building up of employ-
11 ment in industry, upon such terms as the Secretary of the
12 Treasury shall deem advisable, to any person, partnership,
13 association, or corporation, or any department of the Gov-
14 ernment, any silver held or owned by the United States at
15 not less than 71.11 cents per fine troy ounce: *Provided*, That
16 at all times the ownership and the possession or control
17 within the United States of an amount of silver of a mone-
18 tary value equal to the face amount of all outstanding silver
19 certificates heretofore or hereafter issued by the Secretary
20 of the Treasury shall be maintained by the Treasury.

21 PROCUREMENT DIVISION

22 Salaries and expenses: For the Director of Procurement
23 and other personal services in the District of Columbia and
24 in the field service, and for miscellaneous expenses, includ-

1 ing office supplies and materials, stationery (not to exceed
2 \$31,500), purchase of motortrucks and maintenance and
3 operation of such trucks and motor-propelled passenger-
4 carrying vehicles, telegrams, telephone service, traveling
5 expenses, office equipment, fuel, light, electric current,
6 and other expenses for carrying into effect regulations
7 governing the procurement, warehousing, and distribution
8 by the Procurement Division of the Treasury Department
9 of property, equipment, stores, and supplies in the District
10 of Columbia and in the field, \$1,227,000: *Provided*, That the
11 Secretary of the Treasury is authorized and directed during
12 the fiscal year 1947 to transfer to this appropriation
13 from any appropriations or funds available to the several
14 departments and establishments of the Government for the
15 fiscal year 1947 such amounts as may be approved by
16 the Bureau of the Budget, not to exceed the sum of (a)
17 the amount of the annual compensation of employees who
18 may be transferred or detailed to the Procurement Division,
19 respectively, from any such department or establishment,
20 where the transfer or detail of such employees is incident
21 to a transfer of a function or functions to that Division and
22 (b) such amount as the Bureau of the Budget may deter-
23 mine to be necessary for expenses other than personal
24 services incident to the proper carrying out of functions so
25 transferred: *Provided further*, That when there has been or

1 shall be transferred from any agency of the Government to
2 the Procurement Division any function of warehousing, and
3 the agency from which such function is being transferred
4 is authorized at the time of such transfer to perform functions
5 of procurement, warehousing, or distribution of property,
6 equipment, stores, or supplies for non-Federal agencies the
7 Procurement Division is authorized during the fiscal year
8 1947 to continue the performance of such functions for
9 such non-Federal agencies where such functions are to
10 be discontinued by the agency from which the warehousing
11 function has been transferred, and the receipts, including
12 surcharge, for all issues to and all advances by all non-
13 Federal agencies shall be credited to the general supply
14 fund: *Provided further*, That payments during the fiscal
15 year 1947 to the general supply fund for materials, and
16 supplies (including fuel), and services, and overhead ex-
17 penses for all issues shall be made on the books of the
18 Treasury Department by transfer and counterwarrants pre-
19 pared by the Procurement Division of the Treasury Depart-
20 ment and countersigned by the Comptroller General, such
21 warrants to be based solely on itemized invoices prepared
22 by the Procurement Division at issue prices to be fixed
23 by the Director of Procurement: *Provided further*, That
24 payments covering transactions between the Procurement

1 Division and field offices of other Government agencies
2 whose detailed appropriation or fund accounts are main-
3 tained elsewhere than within the District of Columbia, may
4 be made on the basis of itemized vouchers or invoices
5 prepared by the Procurement Division and sent through
6 the appropriate field offices to the disbursing officers for
7 the agencies involved, who are hereby authorized to make
8 payment based (1) upon certification of the Procurement
9 Division, which shall include the specific statement that
10 the vouchers are issued pursuant to and in conformity with
11 purchase orders or requisitions duly executed by the agency
12 billed, and (2) upon approval and certification of such
13 vouchers by the agency billed, which action shall be based
14 upon acceptance of the Procurement Division certification
15 as made, subject to later adjustment if necessary, the re-
16 sponsibility of the certifying officer to be limited to the avail-
17 ability of the funds to be charged: *Provided further*, That
18 the general supply fund may be used to purchase from or
19 through the Public Printer standard forms and blankbook
20 work for field warehouse stocking and issue, but issues
21 thereof shall be made only to Government agencies and
22 shall be chargeable to applicable appropriation authoriza-
23 tions or limitations of such agencies for printing and binding,
24 and reports of such issues shall be made as the Public Printer
25 may require: *Provided further*, That advances received

1 pursuant to law (31 U. S. C. 686) from departments and
2 establishments of the United States Government and the
3 government of the District of Columbia during the fiscal
4 year 1947 shall be credited to the general supply fund:
5 *Provided further*; That during the fiscal year 1947
6 there shall be available from the general supply fund
7 for personal services in the District of Columbia not to
8 exceed \$1,250,000: *Provided further*, That per diem em-
9 ployees engaged in work in connection with operations of
10 the fuel yards may be paid rates of pay approved by the
11 Secretary of the Treasury not exceeding current rates for
12 similar services in the District of Columbia: *Provided further*,
13 That the term "fuel" shall be held to include "fuel oil":
14 *Provided further*, That the reconditioning and repair of sur-
15 plus property and equipment for disposition or reissue to
16 Government service, may be made at cost by the Procure-
17 ment Division, payment therefor to be effected by charging
18 the proper appropriation and crediting the general supply
19 fund: *Provided further*, That all orders for printing and
20 binding for the Treasury Department, exclusive of work
21 performed in the Bureau of Engraving and Printing and
22 exclusive of such printing and binding as may under existing
23 law be procured by field offices under authorization of the
24 Joint Committee on Printing, shall be placed by the Director

1 of Procurement in accord with the provisions of existing
2 law.

3 Repairs to typewriting machines (except bookkeeping
4 and billing machines) in the Government service in the
5 District of Columbia and areas adjacent thereto may be made
6 at cost by the Procurement Division, payment therefor to be
7 effected by charging the proper appropriation and crediting
8 the general supply fund.

9 No part of any money appropriated by this or any other
10 Act shall be used during the fiscal year 1947 for
11 the purchase, within the continental limits of the United
12 States, of any standard typewriting machines (except book-
13 keeping, billing, and electric machines) at a price in excess
14 of the following for models with carriages which will ac-
15 commodate paper of the following widths, to wit: Ten inches
16 (correspondence models), \$70; twelve inches, \$75; four-
17 teen inches, \$77.50; sixteen inches, \$82.50; eighteen inches,
18 \$87.50; twenty inches, \$94; twenty-two inches, \$95;
19 twenty-four inches, \$97.50; twenty-six inches, \$103.50;
20 twenty-eight inches, \$104; thirty inches, \$105; thirty-two
21 inches, \$107.50; or, for standard typewriting machines dis-
22 tinctively quiet in operation, the maximum prices shall be
23 as follows for models with carriages which will accommodate
24 paper of the following widths, to wit: Ten inches, \$80;

1 twelve inches, \$85; fourteen inches, \$90; eighteen inches,
2 \$95: *Provided*, That there may be added to such prices the
3 amount of Federal excise taxes paid or payable with respect
4 to any such machines.

5 Printing and binding: For printing and binding for the
6 Procurement Division, including printed forms and miscel-
7 laneous items for general use of the Treasury Department,
8 the cost of transportation to field offices of printed and bound
9 material and the cost of necessary packing boxes and pack-
10 ing materials, \$150,000, together with not to exceed \$4,000
11 to be transferred from the general supply fund, Treasury
12 Department.

13 No part of any appropriation or authorization in this
14 Act shall be used to pay any part of the salary or expenses
15 of any person whose salary or expenses are prohibited from
16 being paid from any appropriation or authorization in any
17 other Act.

18 This title may be cited as the "Treasury Department
19 Appropriation Act, 1947".

20 TITLE II—POST OFFICE DEPARTMENT

21 The following sums are appropriated in conformity with
22 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office
23 Department for the fiscal year ending June 30, 1947,
24 namely:

1 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
2 COLUMBIA

3 OFFICE OF THE POSTMASTER GENERAL

4 Salaries: For the Postmaster General and other per-
5 sonal services in the office of the Postmaster General in
6 the District of Columbia, \$319,900.

7 SALARIES IN BUREAUS AND OFFICES

8 For personal services in the District of Columbia in
9 bureaus and offices of the Post Office Department in not to
10 exceed the following amounts, respectively:

11 Office of Budget and Administrative Planning,
12 \$50,650.

13 Office of the First Assistant Postmaster General,
14 \$940,000.

15 Office of the Second Assistant Postmaster General,
16 \$750,000.

17 Office of the Third Assistant Postmaster General,
18 \$1,148,000.

19 Office of the Fourth Assistant Postmaster General,
20 \$630,000.

21 Office of the Solicitor for the Post Office Department,
22 \$147,500.

23 Office of the chief inspector, \$368,000.

24 Office of the purchasing agent, \$67,800.

25 Bureau of Accounts, \$500,000.

1 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

2 For all necessary contingent and miscellaneous expenses
3 not otherwise provided for; including maintenance, repair,
4 and operation of two passenger automobiles; purchase and
5 exchange of lawbooks and books of reference; newspapers;
6 and travel expenses of the purchasing agent and of the
7 Solicitor and attorneys connected with his office, not exceed-
8 ing \$1,900; \$155,000.

9 For printing and binding for the Post Office Depart-
10 ment and Postal Service, \$1,825,000.

11 Appropriations hereinafter made for the field service of
12 the Post Office Department, except as otherwise provided,
13 shall not be expended for any of the purposes hereinbefore
14 provided for on account of the Post Office Department in the
15 District of Columbia: *Provided*, That the actual and neces-
16 sary expenses of officials and employees of the Post Office
17 Department and Postal Service, when traveling on official
18 business, may be paid from the appropriations for the service
19 in connection with which the travel is performed, and appro-
20 priations for the fiscal year 1947 shall be available
21 therefor: *Provided further*, That appropriations hereinafter
22 made, except such as are exclusively for payment of com-
23 pensation, shall be available for expenses in connection
24 with the examination of estimates for appropriations in

1 the field including per diem allowances in lieu of actual
2 expenses of subsistence.

3 FIELD SERVICE, POST OFFICE DEPARTMENT

4 OFFICE OF THE POSTMASTER GENERAL

5 Travel expenses, Postmaster General and Assistant
6 Postmasters General: For travel and miscellaneous expenses
7 in the Postal Service, offices of the Postmaster General and
8 Assistant Postmasters General, \$3,000.

9 Personal or property damage claims: To enable the
10 Postmaster General to pay claims for damages, occurring
11 during the fiscal year 1947, or in prior fiscal years,
12 to persons or property in accordance with the provisions
13 of the Deficiency Appropriation Act, approved June 16,
14 1921 (5 U. S. C. 392), as amended by the Act approved
15 June 22, 1934 (31 U. S. C. 224c), \$124,000.

16 Adjusted losses and contingencies: To pay to post-
17 masters, Navy mail clerks, and assistant Navy mail clerks
18 or credit them with the amount ascertained to have been
19 lost or destroyed during the fiscal year 1947, or prior fiscal
20 years, through unavoidable casualty resulting from no fault
21 or negligence on their part, as authorized by the Act ap-
22 proved March 17, 1882, as amended (39 U. S. C. 49),
23 \$55,000.

24 OFFICE OF CHIEF INSPECTOR

25 Salaries of inspectors: For salaries of fifteen inspectors

1 in charge of divisions and eight hundred inspectors, \$3,838,-
2 000.

3 Travel and miscellaneous expenses: For necessary travel
4 expenses of inspectors, inspectors in charge, the chief post-
5 office inspector, and the assistant chief post-office inspector,
6 including reimbursement of not to exceed 3 cents per mile for
7 official travel performed by them in privately owned auto-
8 mobiles within the limits of their official stations, and for the
9 travel expenses of four clerks performing stenographic and
10 clerical assistance to post-office inspectors in the investigation
11 of important fraud cases; for tests, exhibits, documents, pho-
12 tographs, office, and other necessary expenses incurred by
13 post-office inspectors in connection with their official investi-
14 gations, including necessary miscellaneous expenses of
15 division headquarters, and not to exceed \$500 for books of
16 reference needed in the operation of the Post Office Inspection
17 Service, \$960,000: *Provided*, That not exceeding \$24,500
18 of this sum shall be available for transfer by the Postmaster
19 General to other departments and independent establish-
20 ments for chemical and other investigations.

21 Clerks: For compensation of three hundred and eighty-
22 nine clerks in the Post Office Inspection Service, \$1,073,500.

23 Payment of rewards: For payment of rewards for the
24 detection, arrest, and conviction of post-office burglars, rob-
25 bers, highway mail robbers, and persons mailing or causing

1 to be mailed any bomb, infernal machine, or mechanical,
2 chemical, or other device or composition which may ignite,
3 or explode, \$55,000: *Provided*, That rewards may be paid
4 in the discretion of the Postmaster General, when an offender
5 of the classes mentioned was killed in the act of committing
6 the crime or in resisting lawful arrest: *Provided further*,
7 That no part of this sum shall be used to pay any rewards
8 at rates in excess of those specified in Post Office Depart-
9 ment Order 28673, dated July 28, 1945: *Provided further*,
10 That of the amount herein appropriated not to exceed
11 \$20,000 may be expended in the discretion of the Postmaster
12 General, for the purpose of securing information concerning
13 violations of the postal laws and for services and information
14 looking toward the apprehension of criminals.

15 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

16 Compensation to postmasters: For compensation to
17 postmasters, including compensation as postmaster to persons
18 who, pending the designation of an acting postmaster,
19 assume and properly perform the duties of postmaster in
20 the event of a vacancy in the office of postmaster of the
21 third or fourth class, and for allowances for rent, light,
22 fuel, and equipment to postmasters of the fourth class,
23 \$74,000,000.

24 Compensation to assistant postmasters: For compensa-

tion to assistant postmasters at first- and second-class post offices, \$11,440,000.

Clerks, first- and second-class post offices: For compensation to clerks and employees at first- and second-class post offices, including auxiliary clerk hire at summer and winter post offices, printers, mechanics, skilled laborers, watchmen, messengers, mail handlers, and substitutes, \$391,870,000.

Contract station service: For contract station service, \$3,100,000.

Separating mails: For separating mails at fourth-class post offices, \$180,000.

Unusual conditions: For unusual conditions at post offices, \$50,000.

Clerks, third-class post offices: For compensation to clerks at third-class post offices, \$17,512,000.

Miscellaneous items, first- and second-class post offices: For miscellaneous items necessary and incidental to the operation and protection of post offices of the first and second classes, and the business conducted in connection therewith, not provided for in other appropriations, \$3,000,000.

Village delivery service: For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, \$273,400.

1 Detroit River service: For Detroit River postal service,
2 \$12,990.

3 Carfare and bicycle allowance: For carfare and bicycle
4 allowance, including special-delivery carfare, cost of trans-
5 porting carriers by privately owned automobiles to and from
6 their routes, at rates not exceeding regular streetcar or bus
7 fare, and purchase, maintenance, and exchange of bicycles,
8 \$1,575,000.

9 City delivery carriers: For pay of letter carriers, City
10 Delivery Service, and United States Official Mail and Mes-
11 senger Service, \$217,000,000.

12 Special-delivery compensation and fees: For compensa-
13 tion and fees to special-delivery messengers, \$12,500,000.

14 Rural Delivery Service: For pay of rural carriers,
15 auxiliary carriers, substitutes for rural carriers on annual and
16 sick leave, clerks in charge of rural stations, tolls and ferriage,
17 and necessary miscellaneous and incidental expenses of the
18 Rural Delivery Service, \$114,500,000, of which not less than
19 \$200,000 shall be available for extensions and new service.

20 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

21 Star-route service: For inland transportation by star
22 routes (excepting service in Alaska), including temporary
23 service to newly established offices, \$20,700,000.

24 Star Route and Air Mail Service, Alaska: For inland

1 transportation by Star Route and Air Mail Service in Alaska,
2 \$375,000.

3 Powerboat service: For inland transportation by steam-
4 boat or other powerboat routes, including ship, steamboat,
5 and way letters, \$1,600,000.

6 Railroad transportation and mail messenger service: For
7 inland transportation by railroad routes and for mail mes-
8 senger service, \$137,000,000: *Provided*, That separate ac-
9 counts be kept of the amount expended for mail messenger
10 service.

11 Railway Mail Service: For fifteen division superinten-
12 dents, fifteen assistant division superintendents, two assistant
13 superintendents at large, one hundred and twenty chief
14 clerks, one hundred and twenty assistant chief clerks, and
15 other employees in the Railway Mail Service, \$85,500,000.

16 Railway postal clerks, travel allowance: For travel
17 allowance to railway postal clerks and substitute railway
18 postal clerks, \$4,800,000.

19 Railway Mail Service, travel expenses: For actual
20 and necessary travel expenses, general superintendent and
21 assistant general superintendent, division superintendents,
22 assistant division superintendents, assistant superintendents,
23 chief clerks, and assistant chief clerks, Railway Mail Service,
24 and railway postal clerks, \$58,000.

1 Railway Mail Service, miscellaneous expenses: For
2 all necessary miscellaneous expenses of the Railway Mail
3 Service not provided for in other appropriations, \$415,000.

4 Electric-car service: For electric-car service, \$235,000.

5 Foreign mail transportation: For transportation of for-
6 eign mails, except by aircraft, \$4,000,000: *Provided*, That
7 the Postmaster General is authorized to spend such sums
8 as may be necessary, not to exceed \$72,000, to cover the
9 cost to the United States for maintaining sea post service
10 on ocean steamships conveying mails to and from the
11 United States.

12 Balances due foreign countries: The unexpended
13 balances of the appropriations, "Balances due foreign
14 countries", for the fiscal years 1944, 1945, and 1946 are
15 hereby made available for the fiscal year 1947 and prior
16 years.

17 Indemnities, international mail: For payment of limited
18 indemnity for the injury or loss of international mail in
19 accordance with convention, treaty, or agreement stipula-
20 tions, fiscal year 1947 and prior years, \$8,000: *Pro-*
21 *vided*, That the unexpended balances of the appropria-
22 tions, "Indemnities, international mail," for the fiscal
23 years 1945 and 1946, are hereby made available for the fiscal
24 year 1947 and prior years.

25 Foreign air-mail transportation: For transportation of

1 foreign mails by aircraft, as authorized by law, including
2 the transportation of mail by aircraft between Seattle, Wash-
3 ington, and Fairbanks, Alaska, via intermediate points,
4 \$5,000,000.

5 Domestic Air Mail Service: For the inland transpor-
6 tation of mail by aircraft, as authorized by law, and for
7 all necessary miscellaneous and travel expenses, and including
8 not to exceed \$106,000 for supervisory officials and clerks at
9 field headquarters, \$49,000,000.

10 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

11 Manufacture and distribution of stamps and stamped
12 paper: For manufacture and distribution of stamps and
13 stamped paper, and not to exceed \$27,000 for compensation
14 to employees of the United States Stamped Envelope Agency,
15 and for all necessary miscellaneous expenses of said agency,
16 \$6,500,000.

17 Indemnities, domestic mail: For payment of indemnity
18 for the injury or loss of domestic registered, insured and
19 collect-on-delivery mail, and for failure to remit collect-on-
20 delivery charges, fiscal year 1947 and prior years \$2,-
21 200,000.

22 Unpaid money orders more than one year old: For
23 payment of domestic money orders after one year from the
24 last day of the month of issue of such orders, \$1,300,000.

1 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

2 Post office stationery, equipment, and supplies: For the
3 purchase, manufacture, repair, and installation of all neces-
4 sary miscellaneous equipment and supplies for the Postal
5 Service not provided for in other appropriations; for inci-
6 dental expenses of the Postal Service not provided for in
7 other appropriations; accident prevention; for the purchase of
8 atlases and geographical and technical works not to exceed
9 \$1,500; and not exceeding \$112,250 for personal services,
10 and not to exceed \$42,200 for salaries of thirteen traveling
11 mechanics; for rental of canceling machines and motors,
12 mechanical mail-handling apparatus, and other labor-saving
13 devices, and for travel expenses, \$6,000,000 of which \$1,-
14 000,000 shall be available exclusively for the purchase of
15 omnidenominational postage meters, stamp vending ma-
16 chines, coin-operated postage meters, and other modern
17 mechanical postal devices: *Provided*, That the Postmaster
18 General may authorize the sale to the public of post-route
19 maps and rural-delivery maps or blueprints at the cost of
20 printing and 10 per centum thereof added.

21 Equipment shops, Washington, District of Columbia:
22 For the purchase, manufacture, and repair of mail bags and
23 other equipment for the postal service not provided for in
24 other appropriations; accident prevention; for all necessary
25 and miscellaneous expenses incident to the operation, care,

1 maintenance, and protection of the mail equipment shops
2 building, grounds, and equipment, \$2,575,000; of which not
3 to exceed \$869,500 may be expended for personal services
4 in the District of Columbia: *Provided*, That out of this
5 appropriation the Postmaster General is authorized to use
6 as much of the sum, not exceeding \$15,000, as may be
7 deemed necessary for the purchase of material and the manu-
8 facture in the equipment shops of such small quantities of
9 distinctive equipments as may be required by other execu-
10 tive departments; and for service in Alaska, Puerto Rico,
11 Philippine Islands, Hawaii, or other island possessions.

12 Rent, light, power, fuel, and water: For rent, light,
13 power, fuel, and water, for first-, second-, and third-class
14 post offices, and the cost of advertising for lease proposals
15 for such offices, \$12,525,000.

16 Pneumatic-tube service, New York City, and Boston:
17 For rental of not exceeding twenty-eight miles of pneu-
18 matic tubes, hire of labor, communication service, electric
19 power, and other expenses for transmission of mail in the
20 city of New York including the Borough of Brooklyn;
21 and for rental of not exceeding two miles of pneumatic
22 tubes, not including labor and power in operating the
23 same, for the transmission of mail in the city of Boston,
24 Massachusetts, \$608,700: *Provided*, That the Acts of April
25 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C.

1 423), relating to contracts for the transmission of mail by
2 pneumatic tubes or other similar devices shall not be ap-
3 plicable to the city of New York and the provisions not
4 inconsistent herewith of the Acts of April 21, 1902, and
5 May 27, 1908 (39 U. S. C. 423), shall be applicable to the
6 city of Boston.

7 Vehicle service: For the hire, purchase, maintenance,
8 repair, and operation of vehicles for use in the collection,
9 transportation, delivery, and supervision of the mail, includ-
10 ing the repair of vehicles owned by, or under the control
11 of, units of the National Guard and departments and agen-
12 cies of the Federal Government where repairs are made
13 necessary because of utilization of such vehicles in the
14 Postal Service; the rental of garage facilities; accident pre-
15 vention; and including compensation to necessary employees
16 in the Motor Vehicle Service, \$33,650,000 of which
17 \$3,500,000 shall be available immediately and exclu-
18 sively for the purchase of trucks: *Provided*, That the
19 Postmaster General may, in his disbursement of this
20 appropriation, apply a part thereof to the leasing of
21 quarters for the housing of Government-owned motor
22 vehicles at a reasonable annual rental for a term not
23 exceeding ten years: *Provided further*, That the Postmaster
24 General may purchase and maintain from this appropriation
25 such tractors and trailer trucks as may be required in the

1 operation of the vehicle service: *Provided further*, That no
2 part of this appropriation shall be expended for maintenance
3 or repair of motor-propelled passenger-carrying vehicles for
4 use in connection with the administrative work of the Post
5 Office Department in the District of Columbia.

6 Transportation of equipment and supplies: For the trans-
7 portation and delivery of equipment, materials, and supplies
8 for the Post Office Department and Postal Service by freight,
9 express, or motor transportation, and other incidental ex-
10 penses, \$520,000.

11 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

12 Operating force: For compensation to employees in the
13 custodial service, \$37,000,000.

14 Operating supplies, public buildings: For all necessary
15 miscellaneous articles, services and supplies, including trans-
16 portation thereof, required for the operation of completed and
17 occupied public buildings and grounds operated by the Post
18 Office Department, accident prevention, \$6,650,000: *Pro-*
19 *vided*, That the foregoing appropriation shall not be avail-
20 able for personal services except for work done by contract,
21 or for temporary job labor under exigency not exceeding
22 at one time the sum of \$250 at any one building: *Provided*
23 *further*, That the Postmaster General is authorized to con-
24 tract for telephone service in public buildings under his ad-
25 ministration by means of telephone switchboards or equivalent

1 telephone switching equipment jointly serving in each case
2 two or more governmental activities, where he determines
3 that joint service is economical and in the interest of the
4 Government, and to secure reimbursement for the cost of such
5 joint service from available appropriations for telephone
6 expenses of the bureaus and offices receiving the same.

7 Furniture, carpets, and safes, public buildings: For the
8 procurement, including transportation, of furniture, carpets,
9 safes, safe and vault protective devices, and repairs of same,
10 for use in public buildings which are now, or may hereafter
11 be, operated by the Post Office Department, \$818,000:
12 *Provided*, That excepting expenditures for labor for or in-
13 cidental to the moving of equipment from or into public
14 buildings, the foregoing appropriation shall not be used for
15 personal services except for work done under contract or for
16 temporary job labor under exigency and not exceeding at
17 one time the sum of \$100 at any one building: *Provided*
18 *further*, That all furniture now owned by the United States
19 in other public buildings or in buildings rented by the United
20 States shall be used, so far as practicable, whether or not it
21 corresponds with the present regulation plan of furniture.

22 Deficiency in postal revenues: If the revenues of the
23 Post Office Department shall be insufficient to meet the
24 appropriations made under title II of this Act, a sum equal
25 to such deficiency in the revenues of such Department is

1 hereby appropriated, to be paid out of any money in the
2 Treasury not otherwise appropriated, to supply such defi-
3 ciency in the revenues of the Post Office Department for the
4 fiscal year ending June 30, 1947, and the sum needed
5 may be advanced to the Post Office Department upon
6 requisition of the Postmaster General.

7 This title may be cited as the "Post Office Department
8 Appropriation Act, 1947".

9 TITLE III—GENERAL PROVISIONS

10 SEC. 301. No part of any appropriation contained in
11 this Act shall be used to pay the salary or wages of any
12 person who advocates, or who is a member of an organ-
13 ization that advocates, the overthrow of the Government of
14 the United States by force or violence: *Provided*, That for
15 the purposes hereof an affidavit shall be considered prima
16 facie evidence that the person making the affidavit does
17 not advocate, and is not a member of an organization that
18 advocates, the overthrow of the Government of the United
19 States by force or violence: *Provided further*, That any
20 person who advocates, or who is a member of an organ-
21 ization that advocates, the overthrow of the Government
22 of the United States by force or violence and accepts em-
23 ployment, the salary or wages for which are paid from
24 any appropriation contained in this Act, shall be guilty
25 of a felony and, upon conviction, shall be fined not more

1 than \$1,000 or imprisoned for not more than one year,
2 or both: *Provided further*, That the above penalty clause
3 shall be in addition to, and not in substitution for, any
4 other provisions of existing law.

5 SEC. 302. This Act may be cited as the "Treasury
6 and Post Office Departments Appropriation Act, 1947".

Passed the House of Representatives February 14, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

AN ACT

Making appropriations for the Treasury and
Post Office Departments for the fiscal year
ending June 30, 1947, and for other pur-
poses.

FEBRUARY 15 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on
Appropriations

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

APRIL 18 (legislative day, MARCH 5), 1946

Referred to the Committee on Appropriations and ordered to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 25, strike out lines 7 to 20, inclusive, and insert in lieu thereof the following:

1 That subsection (b) of section 4 of the Act entitled "An
2 Act to extend the time within which the powers relating to
3 the stabilization fund and alteration of the weight of the
4 dollar may be exercised", approved July 6, 1939, is amended
5 to read as follows:

6 "(b) (1) For a period of one year after the date of
7 approval of this amendment, the Director of such mint with
8 the consent of the owner shall deduct and retain of such

1 silver so received 20 per centum as seigniorage for services
2 performed by the Government of the United States relative
3 to the coinage and delivery of silver dollars. The balance of
4 such silver so received; that is, 80 per centum, shall be
5 immediately coined into standard silver dollars and the same
6 or any equal number of other standard silver dollars shall
7 be delivered to the owner or depositor of such silver. The
8 20 per centum of such silver so deducted shall be retained
9 as bullion by the Treasury or coined into standard silver
10 dollars and held or disposed of in the same manner as
11 other bullion or silver dollars held in or belonging to the
12 Treasury.

13 “(2) After the expiration of one year after the date
14 of approval of this Act there shall be delivered therefor in
15 standard silver dollars or any other coin or coinage of the
16 United States, the full monetary value of the silver so de-
17 livered, less such deductions for brassage, coinage, and other
18 mint charges as the Secretary of the Treasury with the
19 approval of the President shall have determined, not to
20 exceed the actual cost thereof.”

21 SEC. 2. The following statutes and portions of statutes
22 are hereby repealed:

23 (a) Section 1805 of the Internal Revenue Code, as
24 amended;

25 (b) Sections 6, 7, and 8, and the second proviso in

1 section 3, of the Silver Purchase Act of 1934, approved
2 June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and
3 734a).

4 SEC. 3. Until June 30, 1947, the Secretary of the
5 Treasury is authorized to sell for manufacturing uses, in-
6 cluding manufacturing uses incident to reconversion and the
7 building up of employment in industry, to any person, part-
8 nership, association, or corporation, or any department of
9 the Government, any nonmonetized silver held or owned
10 by the United States, at a price of not less than \$1.03432
11 per fine troy ounce for a period of one year after the date
12 of enactment of this Act, and thereafter at a price of not
13 less than the legal monetary value (of silver) per fine troy
14 ounce: *Provided*, That no such sale shall be made unless
15 the purchaser has certified in writing, and the Secretary of
16 the Treasury is satisfied, that such purchaser has made all
17 reasonable efforts to purchase in the open market, and not-
18 withstanding such efforts has been unable so to purchase,
19 sufficient silver to meet his reasonable immediate require-
20 ments; and no such sale shall be made in an amount greater
21 than the amount of silver necessary to enable such purchaser
22 to meet his reasonable immediate requirements: *Provided*
23 *further*, That on the consummation of such sale of silver by
24 the Treasury to any purchaser, the purchaser shall immedi-
25 ately take possession of the silver so sold and by him pur-

1 chased and remove the same from the Treasury, in accordance
2 with such rules and regulations as the Secretary of the
3 Treasury may prescribe: *And provided further*, That at all
4 times the ownership and the possession or control within the
5 United States Treasury of an amount of silver of a monetary
6 value equal to the face amount of all outstanding silver certifi-
7 cates heretofore or hereafter issued by the Secretary of the
8 Treasury shall be maintained by the Treasury.

9 SEC. 4. That hereafter, notwithstanding the provisions
10 of any other law, maximum prices shall not be imposed upon
11 foreign or domestic silver or upon silverware or jewelry.

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

APRIL 18 (legislative day, March 5), 1946
Referred to the Committee on Appropriations and
ordered to be printed

require the revenue and appropriating committees to give consideration to the President's budget recommendations in estimating receipts and expenditures (p. 6644).

APPROPRIATIONS. The Appropriations Committee reported the following bills with amendments: Treasury-Post Office (S. Rept. 1432); 3rd urgent deficiency, H. R. 6601 (S. Rept. 1433); Navy Department, H. R. 6496 (S. Rept. 1435); and H. R. 6335, Interior Department (S. Rept. 1434) (pp. 6640, 6647).

PRICE CONTROL. Sen. Butler, Nebr., submitted an amendment which he intends to propose to H. R. 6042, the price-control bill, to direct this Department to pay a 30-cent bonus for 1945 corn sold before Apr. 19, 1946, a 25-cent bonus for 1945 corn sold between Apr. 18 and May 13, 1946, a 45-cent bonus for all wheat of 1945 crop sold before Apr. 3, 1946, a 45-cent bonus for 1945 wheat sold between Apr. 2 and 19, 1946, and a 15-cent bonus for 1945 wheat sold between Apr. 18 and May 13, 1946 (except under certificate plan with respect to the last two items) (pp. 6640-1).

CIVIL-SERVICE RETIREMENT. Received from the President a recommendation for the enactment of an amendment to Sec. 6 of the Civil Service Retirement Act, relating to medical examinations for disability retirements.

FORESTRY. Sen. Wiley, Wis., inserted his statement and a Wis. lumber company's letter on the necessity for price relief on hardwood plywood (pp. 6641-2).

RECESSED until Mon., June 10 (p. 6666).

HOUSE - June 7

AGRICULTURAL APPROPRIATION BILL, 1947. Received the conference report on this bill, H.R. 5605 (pp. 6632-6). For a tabular statement indicating the actions of the conference committee, see page 5 of this Digest.

APPROPRIATIONS. Rep. Arends, Ill., criticized the large number of appropriations for Government expenditure and suggested that the Appropriations Committees suspend business after the regular appropriations are finished (p. 6601).

PRICE CONTROL; DAIRY PRODUCTS. Rep. Murray, Wis., criticized OPA's regulation placing a "floor tax" on dairy products, stating that "Mr. Bowles...is ridiculously out of his field of operation" (pp. 6600-1).

VETERANS; LEAVE. Began debate on H.R. 4051, to provide benefits to enlisted men in lieu of accumulated leave (pp. 6601-32).

REPORTS. Received from the Comptroller General a report of audit of the ECIC for the period July 1, 1941, to June 30, 1942; and an RFC operations report for the period Feb. 2, 1932, to Dec. 31, 1945 (p. 6637).

ADJOURNED until Mon., June 10 (p. 6637).

BILLS INTRODUCED - June 7

GRAINS. H.R. 6708, by Rep. Wickersham, Okla., to encourage the immediate sale of wheat and corn by providing for payments by the Government to compensate for future adjustments in price. To Banking and Currency Committee. (p. 6638.)

H.R. 6709, by Rep. Wickersham, Okla., to assure producers who sell wheat in aid of the emergency program designed to relieve distressed areas the bene-

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued June 10, 1946
For actions of June 7 and 8, 1946
79th Cong., 2nd Sess. No. 10-11

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HIGHLIGHTS: House received conference report on agricultural appropriation bill. Senate debated congressional-reorganization bill. Senate committee reported revised price-control; to come up for debate today. Sen. Hickenlooper criticized Porter's statement opposing price-control amendments and referred to BAE study on meat prices. Rep. Murray (Wis.) criticized OPA's "floor tax" on dairy products. Rep. Wickersham introduced bills to encourage sale of wheat and corn for foreign relief. Rep. Flanagan introduced Swan Island animal-quarantine bill. Senate Appropriations Committee reported Treasury-Post Office, Interior, Navy, and 3rd urgent deficiency bills. Sen. Butler submitted amendment to price-control bill to provide additional grain bonuses.

SENATE - June 7

1. CONGRESSIONAL REORGANIZATION. Continued debate on S. 2177, to provide for increased efficiency in the legislative branch (pp. 6560-91). Agreed to amendments by Sen. La Follette to provide for committee "watchfulness" of departments instead of "surveillance", to permit appropriation bills to be reported before the revenue and appropriating committees submit their over-all estimates, and to require the Joint Committee on the Economic Report to submit its reports by Mar. 15 so they can be considered by the revenue and appropriating committees under this bill; and an amendment by Sen. George, Ga., to require a record vote on the over-all difference between expenditures and receipts (p. 6568).
2. PRICE CONTROL. The Banking and Currency Committee reported with amendment H. R. 6042, to amend and continue the Emergency Price Control Act and the Stabilization Act (S. Rept. 1431) (p. 6587). Majority Leader Barkley said it was intended to bring up the bill today (p. 6587).
Received a petition from the Independent Trade Association, Hyattsville, Md., opposing continuation of OPA (p. 6559).
Sen. Hickenlooper, Iowa, criticized a statement by Paul Porter opposing the price-control bill and referred to a BAE study on the effects of abolition of meat-price control (pp. 6592-4).

SENATE - June 8

3. CONGRESSIONAL REORGANIZATION. Continued debate on S. 2177 (pp. 6641-66). Agreed to the following amendments: By Sen. Barkley, to amend Sec. 208 so as to give the President flexible authority in reducing appropriations and not require such reductions by a uniform percentage (p. 6659). By Sen. La Follette, to r



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PROCEEDINGS AND DEBATES OF THE 79th CONGRESS, SECOND SESSION

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WASHINGTON, SATURDAY, JUNE 8, 1946

No. 110

House of Representatives

The House was not in session today. Its next meeting will be held on Monday, June 10, 1946, at 12 o'clock noon.

Senate

SATURDAY, JUNE 8, 1946

(Legislative day of Tuesday, March 5, 1946)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Almighty God, Thou only art eternal and changeless. Like infants with no language but a cry, we are but pilgrims of the night; beneath our uncertain feet is sinking sand, around us constant change, and in all things, including our mortal life, the seeds of decay sprout death. Our brief days are running out with hurrying pace as the terror of the shade closes in upon us, but at the altar of prayer faith flings open an escape into eternity, life which without Thee is mockery is flooded with meaning, our tasks are sanctified and glorified. The encircling gloom is not our home; therefore, will we not fear though the earth do change and though the mountains be shaken into the heart of the seas; though the nations rage and the kingdoms be moved, the God of hosts is with us, the God of Jacob is our refuge. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, June 7, 1946, was dispensed with, and the Journal was approved.

ORDER FOR RECESS TO 11 A. M. MONDAY

Mr. BARKLEY. Mr. President, I ask unanimous consent that when the Senate concludes its business for the day it stand in recess until 11 o'clock a. m. on Monday next.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

LEAVE OF ABSENCE

Mr. BUTLER. Mr. President, I find it necessary to be absent from the Senate a few days, and I ask unanimous consent that I may be absent from the Senate next week.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. BARKLEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Green	Mitchell
Andrews	Gulley	Moore
Austin	Gurney	Murdock
Ball	Hayden	O'Daniel
Barkley	Hickenlooper	Overton
Bridges	Hill	Pepper
Brooks	Hoey	Robertson
Burch	Huffman	Russell
Bushfield	Johnson, Colo.	Saltonstall
Butler	Johnston, S. C.	Stanfill
Capehart	Knowland	Stewart
Capper	La Follette	Thomas, Okla.
Connally	Lucas	Thomas, Utah
Cordon	McCarran	Vandenberg
Donnell	McClellan	Walsh
Downey	McKellar	Wheeler
Ferguson	McMahon	Wherry
Fulbright	Maybank	White
George	Mead	Wiley
Gerry	Millican	Wilson

Mr. HILL. I announce that the Senator from North Carolina [Mr. BAILEY] and the Senator from Alabama [Mr. BANKHEAD] are absent because of illness.

The Senator from Mississippi [Mr. BILBO], the Senator from Nevada [Mr. CARVILLE], and the Senators from Idaho [Mr. GOSSETT and Mr. TAYLOR] are absent by leave of the Senate.

The Senator from Virginia [Mr. BYRD] is absent by leave of the Senate because of a death in his family.

The Senator from Missouri [Mr. BRIGGS] is absent because of a death in his family.

The Senator from Maryland [Mr. TYDINGS] is necessarily absent.

The Senators from New Mexico [Mr. CHAVEZ and Mr. HATCH], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], the Senator from Wyoming [Mr. O'MAHONEY], the Senator from Maryland [Mr. RADCLIFFE], the Senator from Delaware [Mr. TUNNELL], and the Senator from New York [Mr. WAGNER] are detained on public business.

The Senator from Arizona [Mr. McFARLAND] is absent on official business.

Mr. WHERRY. The Senator from Maine [Mr. BREWSTER], the Senator from Delaware [Mr. BUCK], the Senator from Oregon [Mr. MORSE], the Senator from Kansas [Mr. REED], the Senator from West Virginia [Mr. REVERCOMB], the Senator from New Jersey [Mr. SMITH], the Senator from Ohio [Mr. TAFT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Indiana [Mr. WILLIS] are necessarily absent.

The Senator from Connecticut [Mr. HART], the Senator from North Dakota [Mr. LANGER], the Senator from Minnesota [Mr. SHIPSTEAD], and the Senator from North Dakota [Mr. YOUNG] are absent by leave of the Senate.

The Senator from New Jersey [Mr. HAWKES] is absent on official business.

The PRESIDENT pro tempore. Sixty Senators having answered to their names, a quorum is present.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on June 7, 1946, he presented to the President of the United States the following enrolled bills:

S. 1776. An act to authorize the exchange of certain land at the Benicia Arsenal, Calif.; and

S. 1872. An act to provide for the rank of original appointments in the Corps of Civil Engineers of the United States Navy, and for other purposes.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF RECONSTRUCTION FINANCE CORPORATION

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting, pursuant to law, the report of that Corporation covering its operations for the period from its organization on February 2, 1932, to December 31, 1945, inclusive (with an accompanying report); to the Committee on Banking and Currency.

AMENDMENT OF CIVIL SERVICE RETIREMENT ACT OF 1930

A letter from the President of the United States Civil Service Commission, recommending the enactment of legislation to amend section 6 of the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Civil Service.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT—PETITION

The PRESIDENT pro tempore laid before the Senate a petition of sundry members of the armed forces of the United States stationed in Okinawa, praying for the enactment of legislation to extend the Selective Training and Service Act, which was referred to the Committee on Military Affairs.

TIDEWATER LANDS

Mr. HICKENLOOPER. Mr. President, I ask unanimous consent to present and to have printed in the RECORD a resolution adopted by the Thirty-eighth Annual Governors' Conference at Oklahoma City, Okla., on May 29, 1946, relating to tidewater lands.

There being no objection, the resolution was received and ordered to be printed in the RECORD, as follows:

Whereas the stability of State economy, the perpetuation of State sovereignty, and the protection to countless investors, bondholders, and lessees and successors in title of the several States, necessitate immediate and effective legislative relief in quieting the titles of the several States to lands beneath tidal and navigable waters; and

Whereas the House of Representatives in September 1945 passed with but 11 dissenting votes House Joint Resolution No. 225 to accomplish this purpose: Now, therefore, be it

Resolved by the governors' conference, That the Senate of the United States be requested and urged to act favorably upon House Joint Resolution No. 225, prior to adjournment of the Seventy-ninth Congress.

OPA AND LABOR LEGISLATION—PETITION

Mr. HICKENLOOPER. Mr. President, I have received a letter from a citizen of

Logan, Iowa, in connection with the OPA and labor legislation. I ask unanimous consent that it be printed in the RECORD without the signature attached.

There being no objection, the letter was ordered to be printed in the RECORD without the signature attached, as follows:

LOGAN, IOWA, June 4, 1946.
Senator BOURKE HICKENLOOPER,
Washington, D. C.

DEAR SIR: Am not in the habit of writing to our Members in Congress but the OPA has got me started. Wanted to build a little frame for a jig saw, but there isn't enough lumber in the yards to build a small dog house. Tuesday and Thursday no meat in the stores. Other days, get there early if you want any. Shortage of sugar, no sirup, numerous other articles of food that just "aint." Am not complaining about the shortage of bread, people of Europe need that, but the scarcity is not due to Europe's need, but just plain bungling by the starry-eyed boys in Washington. Kill the OPA, with a few exceptions like rent, until supply meets demand and prices will go up but level off when production meets demand. The OPA is making llars and crooks out of the American people and if you want to know what it is doing to the women go in a store when a scarce article is on sale.

Carry a card in the printers' union and think unions are a good thing, but when they become rackets and means of holding up the public, am against them. Would like to see the Case bill pass as permanent legislation and the President's emergency bill, minus the draft clause and profits to the Treasury.

We have the greatest country in the world. The Lord expects us to take care of it, but we are in a bigger fight now than the war. The Midwest, South, and North is still American, the west coast partly so, but we may have to whip the east coast and put them back in America. Success to you. Have no errands now or later for you to take on.

Yours truly,

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. McKELLAR, from the Committee on Appropriations:

H. R. 5452. A bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes; with amendments (Rept. No. 1432); and

H. R. 6601. A bill making appropriations to supply deficiencies in certain appropriations for the fiscal year ending June 30, 1946, and for prior fiscal years, to provide supplemental appropriations for the fiscal year ending June 30, 1946, and for other purposes; with amendments (Rept. No. 1433).

By Mr. OVERTON, from the Committee on Appropriations:

H. R. 6496. A bill making appropriations for the Navy Department and the naval service for the fiscal year ending June 30, 1947, and for other purposes; with amendments (Rept. No. 1435).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

S. 2314. A bill to provide for the adjustment of repayment contract, cancellation of irrigation charges, and amendment of certain provisions of the act of May 10, 1926 (44 Stat. 464), and acts amendatory thereof or supplementary thereto, and for other purposes, Flathead Irrigation project, Montana; to the Committee on Indian Affairs.

By Mr. McMAHON:

S. 2315. A bill for the relief of Mrs. Mary Enta Kitajima; to the Committee on Immigration.

By Mr. CAPPER:

S. 2316. A bill for the relief of Col. Frank R. Loyd; to the Committee on Claims.

By Mr. WALSH:

S. 2317. A bill to authorize the President to appoint Rear Adm. Hayne Ellis, United States Navy, retired, an admiral on the retired list of the Navy; to the Committee on Naval Affairs.

By Mr. MITCHELL:

S. 2318. A bill to amend the act of May 11, 1938, for the conservation of the fishery resources of the Columbia River, and for other purposes; to the Committee on Commerce.

By Mr. CORDON:

S. 2319. A bill for the relief of Mrs. Clara Bortner; to the Committee on Claims.

EXTENSION OF PRICE CONTROL AND STABILIZATION ACTS OF 1942—REIMBURSEMENT IN WHEAT AND CORN TRANSACTIONS—AMENDMENT

Mr. BUTLER. Mr. President, recently I introduced a bill to provide for reimbursement of 30 cents a bushel to all farmers who sold their wheat and corn before the Government started to pay a bonus of that amount to farmers who had held back their grain. Thousands of farmers who sold their grain early in the season in response to the Government's urgent request lost the advantage of this 30-cent bonus and the higher ceilings, and they feel that they were not treated fairly by the Government. They feel that they have lost because of their patriotism.

Since it appears that there may be some delay in securing passage of the bill which I have already introduced, I have prepared an amendment to the Price Control Act which would require the Secretary of Agriculture to reimburse these farmers for that loss. I ask that the amendment may be printed, so that I may present it at the proper time.

I also ask that the amendment be printed in the RECORD at this point as a part of my remarks.

The PRESIDING OFFICER (Mr. GEORGE in the chair). Without objection, the amendment will be printed and lie on the table; and, without objection, the amendment may be printed in the RECORD.

The amendment is as follows:

Amendment intended to be proposed by Mr. BUTLER to the bill (H. R. 6042) to amend the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended, and for other purposes.

At the proper place, insert the following new section:

"Sec. —. (a) The Secretary of Agriculture is authorized and directed to pay, through the Commodity Credit Corporation, to any farmer, upon application and the furnishing of satisfactory proof—

"(1) a bonus of 30 cents per bushel for all corn of the 1945 crop produced and sold by him before April 19, 1946;

"(2) a bonus of 25 cents per bushel for all corn of the 1945 crop produced by him and sold after April 18, 1946, and before May 13, 1946, on which he has not received a bonus of 30 cents per bushel;

"(3) a bonus of 45 cents per bushel for all wheat of the 1945 crop produced and sold by him before April 3, 1946;

"(4) a bonus of 45 cents per bushel for all wheat of the 1945 crop produced by him and sold after April 2, 1946, and before April 19,

TREASURY AND POST OFFICE DEPARTMENTS APPRO-
PRIATION BILL, FISCAL YEAR 1947

JUNE 8 (legislative day, MARCH 5), 1946.—Ordered to be printed

Mr. McKELLAR, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 5452]

The Committee on Appropriations, to whom was referred the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House..... \$1, 604, 556, 940

Increase by Senate (net)..... 1, 796, 400

Amount of bill as reported to Senate..... 1, 606, 067, 840

Amount of regular estimates for 1947..... 1, 634, 217, 190

Amount of appropriations for 1946..... 1, 619, 784, 835

The bill as reported to Senate:

Under the appropriations for 1946..... 13, 716, 995

Under the estimates for 1947..... 28, 149, 350

Treasury Department bill, title I:

Amount as passed House..... 325, 495, 500

Amount of increase by Senate..... 119, 000

Amount of bill as reported to Senate..... 325, 614, 500

Amount of regular estimates for 1947..... 335, 978, 000

Treasury Department bill, title I—Continued

Amount of appropriations for 1946-----	\$346, 749, 460
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The bill as reported to the Senate:

Under the estimates for 1947-----	10, 363, 500
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Under the appropriations for 1946-----	21, 134, 960
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Post Office bill, title II:

Amount as passed House-----	1, 279, 061, 440
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Amount of increase by Senate (net)-----	1, 391, 900
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Amount of bill as reported to Senate-----	1, 280, 453, 340
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Amount of regular estimates for 1947-----	1, 298, 239, 190
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Amount of appropriations for 1946-----	1, 273, 035, 375
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The bill as reported to the Senate:

Under the estimates for 1947-----	17, 785, 850
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Exceeds the appropriations for 1946-----	7, 417, 965
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The changes in the amounts of the House bill recommended by the committee are as follows:

INCREASES AND LIMITATIONS

TREASURY DEPARTMENT—TITLE I

Office of the Secretary:

Salaries-----	\$20, 000
---------------	-----------

The House allowed \$422,000 under this appropriation. The increase proposed by the Committee will provide a total appropriation of \$442,000, which is the amount of the Budget estimate for the fiscal year 1947. With the exception of additional requirements to effect mandatory salary increases provided by law and the transfer of funds incident to the reassignment of certain functions, the estimate for the ensuing fiscal year represents no increase over the amount required for similar purposes during the current fiscal year.

Office of Tax Legislative Counsel:

Salaries-----	3, 000
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The increase proposed by the Committee will provide the Budget estimate of \$90,500, the House having allowed an appropriation of \$87,500 for this Office. The Budget estimate for the fiscal year 1947 is in effect the same, after adjustment for Pay Act increases, as was appropriated for the Office of Tax Legislative Counsel for the current fiscal year.

Office of General Counsel:

Salaries----- \$4, 100

For this Office, the House approved an appropriation of \$175,000, or \$4,100 under the Budget estimate. Except for an amount of \$18,596 necessitated by the basic salary increases under Public Law 106, 79th Congress, and an amount of \$504 required to project 1946 within-grade promotions into the fiscal year 1947, the amount of the Budget estimate (\$179,100) for 1947 is the same as that appropriated for the Office of General Counsel for the present fiscal year.

Division of Personnel:

Salaries----- 16, 900

The increase of \$16,900 recommended by the committee will provide the Budget estimate (\$206,900) for the Division of Personnel. Including Pay Act increases, there has been appropriated for this Division during the current fiscal year, \$196,200. It was represented to the committee that additional classifiers are needed, and that the full amount of the Budget estimate is also needed to enable the Division to meet within-grade pay increases and increases occasioned by changes in grade.

Bureau of the Public Debt:

Administering the public debt:

War Finance Division----- 900, 000

For the appropriation "Administering the public debt," the Budget estimate is \$69,700,000. The House allowed an appropriation of \$64,700,000, or \$5,000,000 less than the 1947 estimate. Of the House reduction of \$5,000,000, an amount of \$4,100,000 was allocated by the House committee to the funds of the Bureau of the Public Debt, and officials of the Treasury Department in their appearance before the committee did not request the restoration of this \$4,100,000 reduction under the estimate by the House. The remainder of the House reduction, \$900,000, was applied to funds of the War Finance Division, which reduced to \$2,000,000 the amount for this Division during the ensuing fiscal year. It was represented to the committee that the effect of the reduction made by the House would be to require the Division to eliminate certain State offices and to operate on some form of regional basis. It was further pointed out that this would weaken the organization's structure to a point where geographic and functional coverage would be inadequate. In view of the importance of the work of the War Finance Division and the Government bond sales program, the committee recommend that the \$900,000 reduction by the House be restored to provide the full amount of the Budget estimate for this Division during the fiscal year 1947.

Bureau of the Mint:

Sale of silver for manufacturing purposes:

It is recommended by the committee that the following paragraph be deleted from the bill:

For a period of two years following the enactment of this Act, the Secretary of the Treasury is authorized to sell or lease for manufacturing uses, including manufacturing uses incident to reconversion and the building up of employment in industry, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, any silver held or owned by the United States at not less than 71.11 cents per fine troy ounce: *Provided*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

and the following inserted in lieu thereof:

(a) *Subsection (b) of section 4 of the Act entitled "An Act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised", approved July 6, 1939, is amended to read as follows:*

"(b) (1) *Until June 30, 1948, the Director of such mint with the consent of the owner shall deduct and retain of such silver so received 30 per centum as seigniorage for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is, 70 per centum, shall be coined into standard silver dollars and the same or any equal number of other standard silver dollars shall be delivered to the owner or depositor of such silver. The 30 per centum of such silver so deducted shall be retained as bullion by the Treasury or coined into standard silver dollars and held or disposed of in the same manner as other bullion or silver dollars held in or belonging to the Treasury.*

"(2) *On and after July 1, 1948, there shall be delivered therefor in standard silver dollars or any other coin or coinage of the United States the full monetary value of the silver so delivered, less such deductions for brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined, not to exceed the actual cost thereof; provided such mint is satisfied the silver so delivered has been mined subsequently to June 30, 1948, from natural deposits in the United States or any place subject to the jurisdiction thereof.*"

(b) *The following statutes and portions of statutes are hereby repealed:*

(1) *Section 1805 of the Internal Revenue Code, as amended;*

(2) *Sections 6, 7, and 8, and the second proviso in section 3, of the Silver Purchase Act of 1934, approved June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).*

Bureau of the Mint—Continued

Sale of silver for manufacturing purposes—Continued

(c) *Until June 30, 1948, the Secretary of the Treasury is authorized to sell for domestic manufacturing uses, to any person, partnership, association, or corporation, or any department of the Government, any nonmonetized silver held or owned by the United States, at a price of not less than 90.3 cents per fine troy ounce, and thereafter at a price of not less than the legal monetary value (of silver) per fine troy ounce: Provided, That until June 30, 1948, no such sale shall be made unless the purchaser has certified in writing, and the Secretary of the Treasury is satisfied, that such silver is to be used in domestic industry or the arts and within a period of six months after any such sale: Provided further, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury: And provided further, That on the consummation of such sale of silver by the Treasury to any purchaser, the purchaser shall immediately take possession of the silver so sold and by him purchased and remove the same from the Treasury, in accordance with such rules and regulations as the Secretary of the Treasury may prescribe.*

(d) *Hereafter, notwithstanding the provisions of any other law, maximum prices shall not be established or maintained upon:*

- (1) *Standard commercial bars or other forms of silver bullion, whether foreign, domestic or Treasury;*
- (2) *Semifabricated silver articles;*
- (3) *Silver scrap; or*
- (4) *The processing of silver or silver scrap.*

The committee recommend that the legislation contained in the bill as passed by the House of Representatives authorizing the sale of silver from the Treasury for manufacturing uses for a period of 2 years at not less than 71.11 cents per fine troy ounce be amended so that until June 30, 1948, the price of such Treasury silver shall be not less than 90.3 cents per fine troy ounce.

The committee also recommend that until that date the Treasury shall purchase silver produced from natural deposits in the United States or any place subject to the jurisdiction thereof at the same price as Treasury silver is sold and that after July 1, 1948, the full monetary value shall be paid for all such American silver produced after June 30, 1948, when received at any United States mint.

Purchase of typewriters:

The committee recommend that the following paragraph in the bill be amended as indicated:

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1947 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electric machines) at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: Ten inches (correspondence models), \$70 \$77; twelve inches, \$75 \$82.50; fourteen

Purchase of typewriters—Continued

inches, ~~\$77.50~~ \$85.25; sixteen inches, ~~\$82.50~~ \$90.75; eighteen inches, ~~\$87.50~~ \$96.25; twenty inches, ~~\$94~~ \$103.40; twenty-two inches, ~~\$95~~ \$104.50; twenty-four inches, ~~\$97.50~~ \$107.25; twenty-six inches, ~~\$103.50~~ \$113.85; twenty-eight inches, ~~\$104~~ \$114.40; thirty inches, ~~\$105~~ \$115.50; thirty-two inches, ~~\$107.50~~ \$118.25; or, for standard typewriting machines distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: Ten inches, ~~\$80~~ \$88; twelve inches, ~~\$85~~ \$93.50; fourteen inches, ~~\$90~~ \$99; eighteen inches, ~~\$95~~ \$104.50: *Provided*, That there may be added to such prices the amount of Federal excise taxes paid or payable with respect to any such machines.

Representatives of the various typewriter companies appeared before the subcommittee conducting hearings on this bill, requesting that the above paragraph be deleted in its entirety. The committee does not feel that the limitations on the prices to be paid by the Government for the various models and sizes of typewriters should be completely removed. The committee does feel, however, that in view of rising costs an adjustment should be made in these limitations and has accordingly recommended that each of these limitations be increased by 10 percent.

Total increase, Treasury Department-----	\$944, 000
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DECREASES AND LIMITATIONS

Bureau of Accounts:

Division of Disbursements-----	825, 000
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(The sum of \$825,000 was made available for this purpose in the Third Urgent Deficiency Act, so that this amount can be deducted from the amount for the Division of Disbursements contained in this bill.)

Total increase, Treasury Department-----	944, 000
Total decrease, Treasury Department-----	825, 000

Net increase-----	119, 000
Amount of title I, Treasury Department-----	325, 614, 500

POST OFFICE DEPARTMENT—TITLE II

POST OFFICE DEPARTMENT,

WASHINGTON, D. C.

Office of the Postmaster General:

Salaries-----	10, 000
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The committee recommend \$329,900 for salaries, Office of the Postmaster General, in lieu of \$319,900 as proposed by the House and \$335,000 as submitted in the Budget. The increase of \$10,000 proposed by the committee is necessary to provide for the reemployment of returning veterans at rates of compensation higher than those presently paid to war-service employees who have been serving during the absence of the veterans and to meet the cost of lump-sum terminal-leave payments authorized by law.

Office of the First Assistant Postmaster General:

Salaries-----\$24, 600

The committee recommend \$964,600 for salaries, Office of the First Assistant Postmaster General, in lieu of \$940,000 as proposed by the House. It was pointed out by the officials of the Department that additional help is needed to handle the work load.

Office of the Second Assistant Postmaster General:

Salaries-----24, 000

The committee recommends \$774,000 for salaries, Office of the Second Assistant Postmaster General, in lieu of \$750,000 as proposed by the House. This increase of \$24,000 will provide for 11 additional employees needed to overcome the backlog of work in the Office of the Second Assistant Postmaster General and keep the work current.

Office of the Third Assistant Postmaster General:

Salaries-----27, 500

The committee recommend \$1,175,500 for salaries, Office of the Third Assistant Postmaster General, in lieu of \$1,148,000 as proposed by the House and \$1,183,000 as submitted in the Budget. The increase of \$27,500 proposed by the committee will provide 16 employees needed in the Division of Money Orders for the resumption of the International Money Order Service, the Philatelic Agency, and the Division of Postal Savings.

Office of the Fourth Assistant Postmaster General:

Salaries-----29, 800

The committee recommend \$659,800 for salaries of the Fourth Assistant Postmaster General in lieu of \$630,000 as proposed by the House. The increase of \$29,800 proposed will provide for 11 employees needed to meet the increased work load due to the passage of Public Law 134, an act providing for the reclassification of postal-service salaries.

Office of the Solicitor:

Salaries-----22, 500

The committee recommend \$170,000 for salaries, Office of the Solicitor, in lieu of \$147,500 as proposed by the House. Of the increase of \$22,500 proposed, \$12,660 is required to restore the personnel to the 1945 level and \$9,840 is necessary for additional positions to cope with the increasing work-load. The additional positions needed are a hearing officer and trial attorney with necessary stenographic help.

Office of Chief Inspector:

Salaries-----25, 000

The committee recommend \$393,000 for salaries, Office of Chief Inspector, in lieu of \$368,000 proposed by the House. The increase of \$25,000 proposed is necessary to provide for the reemployment of 20 veterans still in the military service.

Bureau of Accounts:

Salaries-----

\$44, 000

The committee recommend \$544,000 for the Bureau of Accounts in lieu of \$500,000 as proposed by the House. Of the \$500,000 proposed by the House, \$82,500 was earmarked in the House report for 62 temporary employees to complete the retirement records of the employees in the postal service, leaving \$414,800 for the regular activities of the Bureau, which is \$29,490 less than their present rate of expenditure. The increase of \$44,000 proposed is necessary in order that the work of the Bureau may be kept current. At the close of business Jan. 31, the work of the Bureau was 26,760 hours in arrears.

Total increase, Post Office Department, Washington, D. C.-----

207, 400

FIELD SERVICE, POST OFFICE DEPARTMENT

Office of the Chief Inspector:

Clerks, post-office inspection service-----

26, 500

The committee recommend \$1,100,000 for salaries, clerks, post office inspection service, in lieu of \$1,073,500 and \$1,113,500 as submitted by the Budget. The increase of \$26,500 is required to pay the full cost in 1947 of the 22 positions allowed in the First Deficiency Appropriation Act, 1946.

Office of the First Assistant Postmaster General:

Compensation to assistant postmasters-----

285, 500

The committee recommend \$11,725,500 for compensation to assistant postmasters in lieu of \$11,440,000 as proposed by the House. The increase of \$285,500 is necessary to provide 100 additional assistant postmasters due to the increased financial transactions and added responsibilities of second-class offices. At the present time there are 5,712 second-class post offices, of which only 1,189 are supplied with assistant postmasters.

Office of the Fourth Assistant Postmaster General:

Post-office stationery, supplies, and equipment-----

384, 000

The committee recommend \$6,384,000 for post-office stationery, supplies, and equipment in lieu of \$6,000,000 as proposed by the House. The increase of \$384,000 is proposed for the purchase of clocks, electric fans, lockboxes, safes, and office appliances for post offices in replacement of unserviceable equipment, and to take care of increasing maintenance.

Rent, light, power, fuel, and water-----

300, 000

The committee recommend \$12,825,000 for rent, light, power, fuel, and water, in lieu of \$12,525,000 as proposed by the House. The increase of \$300,000 is necessary to provide sufficient funds for full-year payments on obligations incurred in 1946 for allowances for offices advancing to the third class on July 1, 1946, for rental of required new postal quarters and increases in rents, and utility services for existing facilities.

Operating force for public buildings-----\$310, 000

The committee recommend \$37,310,000 for operating force for public buildings in lieu of \$37,000,000 as proposed by the House and \$37,620,000 submitted in the Budget. The amount of increase of \$310,000 is necessary to fill vacancies which have existed during the war years, to provide for salaries of veterans returning to their former positions, and to provide for the salaries of employees for a period of 30 days in accordance with the law, whom the veterans are replacing.

Operating supplies-----147, 500

The committee recommend \$6,747,500 for operating supplies in lieu of \$6,650,000 as proposed by the House. The increase of \$147,500 is needed for replacement of such equipment as floor scrubbing, finishing, and polishing machines, vacuum cleaners of both domestic and heavy-duty type, wheelbarrows, lawn mowers, and other heavy-duty equipment essential to the operation and repair of public buildings and grounds.

Total, Office of the Fourth Assistant Postmaster General-----1, 141, 500

Total increase, Field Service, Post Office Department-----1, 453, 500

Total increase, Post Office Department-----1, 660, 900

DECREASES AND LIMITATIONS

Vehicle service-----269, 000

The committee recommend \$33,381,000 for vehicle service in lieu of \$33,650,000 as proposed by the House, a decrease of \$269,000. The decrease is to be applied to the item for supplies.

Overtime pay:

It is recommended by the committee that the following paragraph be added to the bill:

During the fiscal year 1947, the Postmaster General shall make quarterly reports to the Senate and House Committees on Appropriations, showing for each quarter the amount paid from each appropriation for overtime, the number of employees receiving such overtime, and the number of hours of overtime worked by such employees, together with a statement as to the necessity for such overtime work.

Section 301:

It is recommended by the committee that section 301 be stricken from the bill:

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts

Section 301—Continued

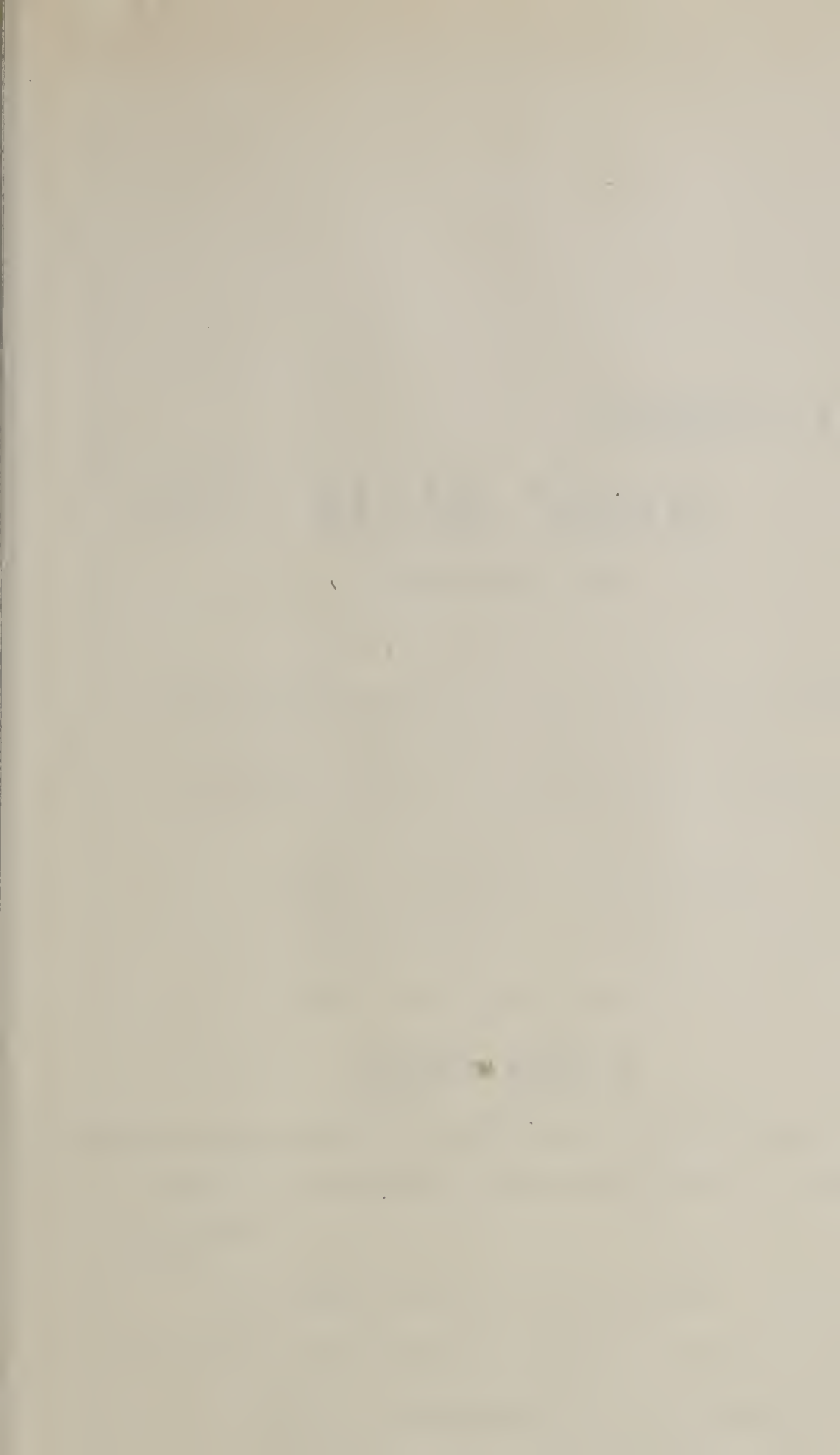
employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

and the following inserted in lieu thereof:

Sec. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: Provided, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: Provided further, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: Provided further, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

The effect of the changes suggested is to include within its language a prohibition against the use of any appropriation in the Treasury and Post Office Departments Appropriation Act, 1947, to pay the salary or wages of any person who engages in strikes against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States.

Total decrease, Post Office Department-----	\$269, 000
Net increase, Post Office Department-----	1, 391, 900
Amount of title II, Post Office Department-----	1, 280, 453, 340
Total increase, titles I and II-----	2, 604, 900
Total decrease, titles I and II-----	1, 094, 000
Total, net increase, titles I and II-----	1, 510, 900
Amount of bill as reported to the Senate:	
Treasury Department, title I-----	325, 614, 500
Post Office Department, title II-----	1, 280, 453, 340
Grand total, titles I and II-----	1, 606, 067, 840



Calendar No. 1459

79TH CONGRESS
2^D SESSION

H. R. 5452

[Report No. 1432]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 15 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on Appropriations

JUNE 8 (legislative day, MARCH 5), 1946

Reported by Mr. McKELLAR, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1947,
7 namely:

OFFICE OF THE SECRETARY

Salaries: Secretary of the Treasury, Under Secretary of the Treasury, Fiscal Assistant Secretary of the Treasury, two Assistant Secretaries of the Treasury, and other personal services in the District of Columbia, ~~\$422,000~~ \$442,000: *Provided*, That no part of the money appropriated shall be used to pay the salaries of more than eighteen messengers assigned to duty in the Office of the Secretary.

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Treasury Department as required by section 2 of the Act of June 28, 1944 (Public Law 364), \$4,400,000.

FOREIGN FUNDS CONTROL

Foreign funds control: For all expenses necessary in carrying out the functions of the Secretary of the Treasury under sections 3 and 5 (b) of the Act of October 6, 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C. (Suppl. 1941) 5 (b)), and any proclamations, orders, regulations, or instructions issued thereunder; and in exercising fiscal, financial, banking, property-control, and related functions, authorized by law, administered by the Treasury Department in foreign countries and arising out of military operations of the United States; including personal services; purchase of lawbooks, books of reference, periodicals, and newspapers; printing and binding; maintenance, re-

1 pair, and operation of a motor-propelled passenger-carrying
 2 vehicle; and reimbursement of any other appropriation or
 3 other funds of the United States or any agency, instrumen-
 4 tality, Territory, or possession thereof, including the Philip-
 5 pine Islands, and reimbursement of any Federal Reserve
 6 bank for printing and other expenditures; \$1,000,000.

7 DIVISION OF TAX RESEARCH

8 Salaries: For personal services in the District of Colum-
 9 bia, \$175,000.

10 OFFICE OF TAX LEGISLATIVE COUNSEL

11 Salaries: For personal services in the District of Colum-
 12 bia, ~~\$87,500~~ \$90,500.

13 DIVISION OF RESEARCH AND STATISTICS

14 Salaries: For personal services in the District of Colum-
 15 bia, \$165,000.

16 OFFICE OF GENERAL COUNSEL

17 Salaries: For the General Counsel and other personal
 18 services in the District of Columbia, ~~\$175,000~~ \$179,100.

19 DIVISION OF PERSONNEL

20 Salaries: For the Chief of the Division, and other per-
 21 sonal services in the District of Columbia, ~~\$190,000~~
 22 \$206,900.

23 OFFICE OF CHIEF CLERK

24 Salaries: For the Chief Clerk and other personal services
 25 in the District of Columbia, \$350,000.

1 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

2 Miscellaneous expenses: For all necessary miscellaneous
3 expenses of the Office of the Secretary and the bureaus
4 and offices of the Treasury Department, not otherwise pro-
5 vided for; including operating expenses of the Treasury,
6 Treasury Annex, Auditors', and Liberty Loan Buildings;
7 books of reference, lawbooks, and periodicals; newspapers;
8 not to exceed \$15,000 for travel expenses; maintenance,
9 operation, and repair of three passenger automobiles (one
10 for the Secretary of the Treasury and two for general use
11 of the Department), all to be used for official purposes only;
12 not to exceed \$500 for streetcar fares; and not to exceed
13 \$25,000 for stationery; \$230,000.

14 Printing and binding: For printing and binding for
15 the Treasury Department and its several bureaus and offices,
16 and field services thereof, except such bureaus and offices
17 as may be otherwise specifically provided for, including
18 materials for the use of the bookbinder, located in the Treas-
19 ury Department, but not including work done at the
20 New York Customhouse bindery authorized by the Joint
21 Committee on Printing in accordance with the Act of March
22 1, 1919 (44 U. S. C. 111), \$28,000.

23 CUSTODY OF TREASURY BUILDINGS

24 Salaries of operating force: For the Superintendent of
25 Treasury Buildings and for other personal services in the

1 District of Columbia, including the operating force of the
2 Treasury Building, the Treasury Annex, the Liberty Loan
3 Building, the Auditors' Building, and the west and south
4 annexes thereof, \$555,000.

5 FISCAL SERVICE

6 BUREAU OF ACCOUNTS

7 Salaries and expenses: For all necessary expenses in
8 the District of Columbia, except printing and binding of the
9 Bureau of Accounts, including contract stenographic report-
10 ing services, stationery (not to exceed \$10,000), supplies
11 and equipment; purchase and exchange of lawbooks, books
12 of reference, periodicals, and newspapers; travel expenses,
13 \$850,000.

14 Salaries and expenses, deposit of withheld taxes: For
15 all necessary expenses incident to the deposit of withheld
16 taxes in Government depositories pursuant to the Current
17 Tax Payment Act of 1943, including personal services in
18 the District of Columbia; not to exceed \$15,000 for print-
19 ing and binding; and reimbursement to Federal Reserve
20 banks for printing and other necessary expenses, \$475,000.

21 Printing and binding: For printing and binding for
22 the Bureau of Accounts, \$35,000.

23 Division of Disbursement, salaries and expenses: For
24 all necessary expenses, except printing and binding, of the
25 Division of Disbursement, including personal services in

1 the District of Columbia, stationery and travel; \$7,100,000,
 2 of which not to exceed \$1,000,000 shall be available imme-
 3 diately \$6,275,000: *Provided*, That with the approval of the
 4 Bureau of the Budget there may be transferred to this appro-
 5 priation and to the appropriation "Printing and binding,
 6 Division of Disbursement" from funds respectively available
 7 for such purposes for the Federal Housing Administration,
 8 Federal Public Housing Authority, Federal Prison Industries,
 9 Railroad Retirement Board, United States Maritime Com-
 10 mission, the Farm Security Administration, and the Pro-
 11 duction and Marketing Administration (including the Federal
 12 Surplus Commodities Corporation, the Federal Crop Insur-
 13 ance Corporation, and the Commodity Credit Corporation),
 14 such sums as may be necessary to cover the expense incurred
 15 in performing the function of disbursement therefor.

16 Printing and binding: For printing and binding,
 17 Division of Disbursement, including the cost of transporta-
 18 tion to field offices of printed and bound material and the cost
 19 of necessary packing boxes and packing materials, \$184,000.

20 Contingent expenses, public moneys: For contingent
 21 expenses under the requirements of section 3653 of the Re-
 22 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
 23 ing, transfer, and disbursement of the public money, trans-
 24 portation of notes, bonds, and other securities of the United
 25 States, transportation of gold coin and gold certificates trans-

ferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649, Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$415,000.

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the difference between the nominal or face value of such coins and the amount the same will produce in new coins, \$140,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska (not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska), to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$19,000.

Refund of moneys erroneously received and covered (indefinite appropriation): To enable the Secretary of the Treasury to meet any expenditures of the character formerly

1 chargeable to the appropriation accounts abolished under
2 section 18 of the Permanent Appropriation Repeal Act of
3 1934, approved June 26, 1934, and any other collections
4 erroneously received and covered which are not properly
5 chargeable to any other appropriation, there is hereby made
6 available such amount as may be necessary.

7 Payment of certified claims (indefinite appropriation) :
8 To enable the Secretary of the Treasury to pay claims (not
9 to exceed \$500 in any case) which may be certified during
10 the fiscal year 1947 by the Comptroller General of the
11 United States to be lawfully due, within the limits of, and
12 chargeable against the balances of the respective appro-
13 priations heretofore made which, after remaining unexpended,
14 have been carried to the surplus fund pursuant to section 5
15 of the Act of June 20, 1874 (31 U. S. C. 713), there is
16 hereby made available such sum as may be necessary.

17 Payment of unclaimed moneys (indefinite appropria-
18 tion) : To enable the Secretary of the Treasury to meet any
19 expenditures of the character formerly chargeable to the
20 appropriation accounts abolished under section 17 of the
21 Permanent Appropriation Repeal Act of 1934, approved
22 June 26, 1934, payable from the funds held by the United
23 States in the trust fund receipt account "Unclaimed moneys
24 of individuals whose whereabouts are unknown", there is
25 hereby made available such amount as may be necessary.

BUREAU OF THE PUBLIC DEBT

Administering the public debt: For necessary expenses connected with any public-debt operations authorized by the Second Liberty Bond Act, as amended (31 U. S. C. 760-762), and with the administration of any public debt or currency issues of the United States with which the Secretary of the Treasury is charged, ~~\$64,700,000~~ \$65,600,000, to be expended as the Secretary of the Treasury may direct: *Provided*, That from the amount appropriated herein, the Federal Reserve banks and their branches may be reimbursed for expenditures made by them as fiscal agents of the United States on account of public-debt transactions for the account of the Secretary of the Treasury, and advances to the Postmaster General may be made in accordance with the provisions of section 22 (e) of the Second Liberty Bond Act, as amended (31 U. S. C. 757c (e)), which section shall be construed as applying to this appropriation: *Provided further*, That the indefinite appropriation provided by section 10 of the Second Liberty Bond Act, as amended, shall not be available for obligation during the fiscal year 1947.

Distinctive paper for United States currency: For distinctive paper for United States currency, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees and allowance, in lieu

1 of expenses, of officer or officers detailed from the Treasury
2 Department, not exceeding \$50 per month each when ac-
3 tually on duty, \$775,000: *Provided*, That in order to foster
4 competition in the manufacture of distinctive paper for
5 United States securities, the Secretary of the Treasury is
6 authorized, in his discretion, to split the award for such
7 paper for the fiscal year 1947 between the two bidders
8 whose prices per pound are the lowest received after adver-
9 tisement.

10 OFFICE OF THE TREASURER OF THE UNITED STATES

11 Salaries and expenses: For all necessary expenses, ex-
12 cept printing and binding, of the Office of the Treasurer of
13 the United States, including purchase of periodicals and
14 books of reference, \$4,750,000: *Provided*, That with the
15 approval of the Bureau of the Budget, there may be trans-
16 ferred to this appropriation and to the appropriation "Print-
17 ing and binding, Office of the Treasurer of the United
18 States", from funds respectively available for such purposes
19 for the Home Owners' Loan Corporation, Tennessee Valley
20 Authority, Reconstruction Finance Corporation, Federal land
21 banks and other banks and corporations under the super-
22 vision of the Farm Credit Administration, Railroad Retire-
23 ment Board, United States Maritime Commission, Federal
24 Housing Administration, Federal Public Housing Authority,
25 Federal Farm Mortgage Corporation, Farm Security Ad-

1 ministration, Production and Marketing Administration
2 (including the Federal Surplus Commodities Corporation,
3 the Federal Crop Insurance Corporation, and the Com-
4 modity Credit Corporation), and corporations and banks
5 under the Federal Home Loan Bank Administration, such
6 sums as may be necessary to cover the expenses incurred
7 on account of such respective activities in clearing of checks,
8 servicing of bonds, handling of collections, and rendering of
9 accounts therefor.

10 Salaries (reimbursable): For personal services in the
11 District of Columbia, in redeeming Federal Reserve notes,
12 \$110,000, to be reimbursed by the Federal Reserve banks.

13 Printing and binding: For printing and binding for
14 the Office of the Treasurer of the United States, \$215,000.

15 BUREAU OF CUSTOMS

16 Salaries and expenses: For collecting the revenue from
17 customs, for enforcement, as specified in Executive Order
18 9083, of certain navigation laws, for the detection and pre-
19 vention of frauds upon the customs revenue, and not to exceed
20 \$100,000 for the securing of evidence of violations of the
21 customs and navigation laws; for expenses of transportation
22 and transfer of customs receipts from points where there are
23 no Government depositories; not to exceed \$84,500 for for-
24 eign living allowances; not to exceed \$500 for subscriptions
25 to newspapers; not to exceed \$85,000 for stationery; not

1 to exceed \$12,000 for improving, repairing, maintaining,
2 or preserving buildings, inspection stations, office quarters,
3 including living quarters for officers, sheds, and sites along
4 the Canadian and Mexican borders acquired under authority
5 of the Act of June 26, 1930 (19 U. S. C. 68) ; and for the
6 purchase (not to exceed one hundred and fifty), mainte-
7 nance, repair, and operation of motor-propelled passenger-
8 carrying vehicles when necessary for official use in field
9 work; for the payment of extra compensation earned by
10 customs officers or employees for overtime services, at the
11 expense of the parties in interest, in accordance with the
12 provisions of section 5 of the Act approved February 13,
13 1911, as amended by the Act approved February 7, 1920,
14 and section 451 of the Tariff Act, 1930, as amended (19 U.
15 S. C. 261, 267, and 1451), the receipts from such overtime
16 services to be deposited as a refund to the appropriation
17 from which such overtime compensation is paid, in accord-
18 ance with the provisions of section 524 of the Tariff Act
19 of 1930, as amended; for the cost of seizure storage and dis-
20 position of any merchandise, vehicle and team, automobile,
21 boat, air or water craft, or any other conveyance seized
22 under the provisions of the customs laws; for the purchase
23 of arms, ammunition, and accessories; not to exceed
24 \$689,000 for personal services in the District of Co-
25 lumbia exclusive of ten persons from the field force

1 authorized to be detailed under section 525 of the Tariff
2 Act of 1930; and reimbursement, at not to exceed 3 cents
3 per mile, of employees for travel performed by them in pri-
4 vately owned automobiles while engaged in inspecting,
5 guarding, admeasuring, examining, sampling, investigating,
6 and storekeeping duties within the limits of their official
7 station; \$29,350,000, of which \$300,000 shall constitute an
8 advance fund to enable the Bureau of Customs to meet obli-
9 gations incurred by it arising from services rendered to
10 private interests, pending receipt of reimbursements there-
11 from, which amount shall be returned to the Treasury not
12 later than six months after the close of the fiscal year 1947.

13 Printing and binding: For printing and binding, Bureau
14 of Customs, including the cost of transportation to field offices
15 of printed and bound material and the cost of necessary
16 packing boxes and packing materials, \$80,000.

17 Refunds and drawbacks (indefinite appropriation):
18 For the refund or payment of customs collections or receipts.
19 and for the payment of debentures or drawbacks, bounties.
20 and allowances, as authorized by law, there is hereby made
21 available such amount as may be necessary.

22 BUREAU OF INTERNAL REVENUE

23 Salaries and expenses: For salaries and expenses in
24 connection with the assessment and collection of internal-
25 revenue taxes and the administration of the internal-revenue

1 laws, including the administration of such provisions of other
2 laws as are authorized by or pursuant to law to be admin-
3 istered by or under the direction of the Commissioner of
4 Internal Revenue, including one stamp agent (to be reim-
5 bursed by the stamp manufacturers) and the employment
6 of experts; the securing of evidence of violations of the Acts,
7 the cost of chemical analyses made by others than em-
8 ployees of the United States and expenses incident to such
9 chemists testifying when necessary; telegraph and telephone
10 service, postage, freight, express, necessary expenses in-
11 curred in making investigations in connection with the en-
12 rollment or disbarment of practitioners before the Treasury
13 Department in internal-revenue matters, expenses of seizure
14 and sale, and other necessary miscellaneous expenses, in-
15 cluding stenographic reporting services; for the acquisition
16 of property under the provisions of title III of the Liquor
17 Law Repeal and Enforcement Act, approved August 27,
18 1935 (49 Stat. 872-881), and the operation, maintenance,
19 and repair of property acquired under such title III; for
20 the purchase (not to exceed thirty-four), hire, maintenance,
21 repair, and operation of motor-propelled or horse-drawn
22 passenger-carrying vehicles when necessary, for official use
23 of the Alcohol Tax and Intelligence Units in field work;
24 printing and binding (not to exceed \$2,200,000); and the
25 procurement of such supplies, stationery (not to exceed

1 \$1,575,000), equipment, furniture, mechanical devices, labo-
2 ratory supplies, periodicals, newspapers for the Alcohol Tax
3 Unit, ammunition, lawbooks, and books of reference, and
4 such other articles as may be necessary, \$184,700,000, of
5 which amount not to exceed \$14,440,000 may be expended
6 for personal services in the District of Columbia: *Provided*,
7 That not more than \$100,000 of the total amount appro-
8 priated herein may be expended by the Commissioner of
9 Internal Revenue for detecting and bringing to trial persons
10 guilty of violating the internal-revenue laws or conniving at
11 the same, including payments for information and detection
12 of such violation.

13 Refunds and payments of processing and related taxes:
14 For refunds and payments of processing and related taxes
15 as authorized by titles IV and VII, Revenue Act of 1936,
16 as amended; for refunds of taxes collected (including penal-
17 ties and interest) under the Cotton Act of April 21, 1934,
18 as amended (48 Stat. 598), the Tobacco Act of June 28,
19 1934, as amended (48 Stat. 1275), and the Potato Act
20 of August 24, 1935 (49 Stat. 782), in accordance with
21 the Second Deficiency Appropriation Act, fiscal year 1938
22 (52 Stat. 1150), as amended, and as otherwise authorized
23 by law; and for redemption of tax stamps purchased under
24 the aforesaid Tobacco and Potato Acts, there is hereby con-
25 tinued available, during the fiscal year 1947, the unexpended

1 balance of the funds made available to the Treasury Depart-
2 ment for these purposes for the fiscal year 1946 by the
3 Treasury Department Appropriation Act, 1946.

4 Additional income tax on railroads in Alaska: For the
5 payment to the Treasurer of Alaska of an amount equal to
6 the tax of 1 per centum collected on the gross annual income
7 of all railroad corporations doing business in Alaska, on busi-
8 ness done in Alaska, which tax is in addition to the normal
9 income tax collected from such corporations on net income,
10 the amount of such additional tax to be applicable to general
11 Territorial purposes, \$7,000.

12 Refunding internal-revenue collections (indefinite ap-
13 propriation): For refunding internal-revenue collections, as
14 provided by law, including the payment of claims for the
15 prior fiscal years and payment of accounts arising under
16 "Allowance or draw-back (Internal Revenue)", "Redemp-
17 tion of stamps (Internal Revenue)", "Refunding legacy
18 taxes, Act of March 30, 1928", and "Repayment of taxes on
19 distilled spirits destroyed by casualty", there is hereby
20 appropriated such amount as may be necessary: *Provided,*
21 That a report shall be made to Congress by internal-revenue
22 districts and alphabetically arranged of all disbursements
23 hereunder in excess of \$500 as required by section 3 of the
24 Act of May 29, 1928 (sec. 3776, I. R. C.), including the

1 names of all persons and corporations to whom such pay-
2 ments are made, together with the amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses to enforce sections
5 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-
6 3238 of the Internal Revenue Code; the Narcotic Drugs
7 Import and Export Act, as amended (21 U. S. C. 171-
8 184); the Act of June 14, 1930 (5 U. S. C. 282-282c and
9 21 U. S. C. 197-198) and the Opium Poppy Control Act
10 of 1942 (21 U. S. C. Supp. IV, 188-188n), includ-
11 ing the employment of executive officers, attorneys, agents,
12 inspectors, chemists, supervisors, clerks, messengers, and
13 other necessary employees in the field and in the Bureau
14 of Narcotics in the District of Columbia, to be appointed
15 as authorized by law; the securing of information and evi-
16 dence of violations of the afore-mentioned laws and regula-
17 tions promulgated thereunder; the costs of chemical analyses
18 made by others than employees of the United States; the
19 purchase of such supplies, equipment, mechanical devices,
20 books, stationery (not to exceed \$6,000), and such other
21 expenditures as may be necessary in the several field offices;
22 cost incurred by officers and employees of the Bureau of
23 Narcotics in the seizure, forfeiture, storage, and disposition
24 of property under the Act of August 9, 1939 (49 U. S. C.

1 781-788) and the internal-revenue laws; hire, maintenance,
 2 repair, and operation of motor-propelled or horse-drawn
 3 passenger-carrying vehicles when necessary for official use
 4 in field work; purchase of arms and ammunition; in all,
 5 \$1,300,000, of which amount not to exceed \$193,319
 6 may be expended for personal services in the Dis-
 7 trict of Columbia: *Provided*, That not exceeding \$10,000
 8 may be expended for the collection and dissemination of in-
 9 formation and appeal for law observance and law enforce-
 10 ment, including cost of printing, purchase of newspapers, and
 11 other necessary expenses in connection therewith: *Provided*
 12 *further*, That not exceeding \$10,000 may be expended for
 13 services or information looking toward the apprehension of
 14 narcotic law violators who are fugitives from justice.

15 Printing and binding: For printing and binding for the
 16 Bureau of Narcotics, \$4,000.

17 BUREAU OF ENGRAVING AND PRINTING

18 For the work of engraving and printing, exclusive of
 19 repay work, during the fiscal year 1947, United States
 20 currency and internal-revenue stamps, including opium
 21 orders and special-tax stamps required under the Act of
 22 December 17, 1914 (26 U. S. C. 1040, 1383), checks,
 23 drafts, and miscellaneous work, as follows:

24 Salaries and expenses: For the Director, two Assistant
 25 Directors, and other personal services in the District of

1 Columbia, including wages of rotary press plate printers
2 at per diem rates and all other plate printers at piece rates
3 to be fixed by the Secretary of the Treasury, not to exceed
4 the rates usually paid for such work; and all other necessary
5 expenses, except printing and binding, including engravers'
6 and printers' materials and other materials, including dis-
7 tinctive and nondistinctive paper, except distinctive paper
8 for United States currency and Federal Reserve bank cur-
9 rency; purchase of card and continuous form checks; equip-
10 ment of, repairs to, and maintenance of buildings and grounds
11 and minor alterations to buildings; periodicals, examples of
12 engraving and printing, including foreign securities and
13 stamps, and books of reference, not to exceed \$500; travel-
14 ing expenses not to exceed \$15,000; articles approved
15 by the Secretary of the Treasury as being necessary
16 for the protection of the person of employees, not to
17 exceed \$2,200; stationery, not to exceed \$5,000; transfer
18 to the Bureau of Standards for scientific investigations in
19 connection with the work of the Bureau of Engraving and
20 Printing, not to exceed \$15,000; and maintenance and
21 operation of two motor-propelled passenger-carrying vehicles;
22 \$11,750,000, to be expended under the direction of the
23 Secretary of the Treasury.

24 Printing and binding: For printing and binding for the
25 Bureau of Engraving and Printing, \$5,500.

1 During the fiscal year 1947 all proceeds derived
2 from work performed by the Bureau of Engraving and Print-
3 ing, by direction of the Secretary of the Treasury, not covered
4 and embraced in the appropriations for such Bureau for such
5 fiscal year, instead of being covered into the Treasury as
6 miscellaneous receipts, as provided by the Act of August 4,
7 1886 (31 U. S. C. 176), shall be credited when received
8 to the appropriations for such Bureau for the fiscal year
9 1947.

10 SECRET SERVICE DIVISION

11 Salaries: For the Chief of the Division and other per-
12 sonal services in the District of Columbia, \$100,000.

13 Suppressing counterfeiting and other crimes: For sal-
14 aries and other expenses in detecting, arresting, and deliver-
15 ing into the custody of the United States marshal or other
16 officer having jurisdiction, dealers and pretended dealers in
17 counterfeit money, persons engaged in counterfeiting, forg-
18 ing, and altering United States notes, bonds, national bank
19 notes, Federal Reserve notes, Federal Reserve bank notes,
20 and other obligations and securities of the United States
21 and of foreign governments (including endorsements thereon
22 and assignments thereof), as well as the coins of the United
23 States and of foreign governments, and persons committing
24 other crimes against the laws of the United States relating
25 to the Treasury Department and the several branches of

1 the public service under its control; purchase (not to exceed
2 sixty), hire, maintenance, repair, and operation of motor-
3 propelled passenger-carrying vehicles when necessary; pur-
4 chase of arms and ammunition; stationery (not to exceed
5 \$7,500) ; traveling expenses; and for no other purpose what-
6 soever, except in the performance of other duties specifically
7 authorized by law, and in the protection of the person of the
8 President and the members of his immediate family and of
9 the person chosen to be President of the United States;
10 \$1,800,000: *Provided*, That of the amount herein appro-
11 priated not to exceed \$15,000 may be expended for the
12 purpose of securing information concerning violations of the
13 laws relating to the Treasury Department, and for services
14 or information looking toward the apprehension of criminals,
15 and all vouchers claiming reimbursement from such amount
16 of \$15,000 shall have the approval of the Chief of the Secret
17 Service before payment.

18 White House Police: For one captain, one inspector,
19 four lieutenants, six sergeants, and one hundred and two
20 privates, at rates of pay provided by law, \$325,000, not-
21 withstanding the provisions of the Act of April 22, 1940
22 (3 U. S. C. 62).

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President in
2 his discretion may determine, \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For salaries and expenses of the guard force for Treasury
5 Department buildings in the District of Columbia, includ-
6 ing the Bureau of Engraving and Printing, and elsewhere,
7 including purchase, repair, and cleaning of uniforms, pur-
8 chase (not to exceed three), maintenance, repair, and opera-
9 tion of motor-propelled passenger-carrying vehicles, and the
10 purchase of arms and ammunition and miscellaneous equip-
11 ment, \$825,000: *Provided*, That not to exceed \$140,554
12 of the appropriation "Salaries and expenses, Bureau of
13 Engraving and Printing", may be transferred to this appro-
14 priation to cover service rendered such Bureau in connection
15 with the protection of currency, bonds, stamps, and other
16 papers of value the cost of producing which is not covered
17 and embraced in the direct appropriations for such Bureau:
18 *Provided further*, That the Secretary of the Treasury may
19 detail two agents of the Secret Service to supervise such
20 force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces:
25 To enable the Secretary of the Treasury to reimburse the

1 District of Columbia on a monthly basis for benefit payments
2 made from the revenues of the District of Columbia to mem-
3 bers of the White House Police force and such members of
4 the United States Secret Service Division as are entitled
5 thereto under the Act of October 14, 1940 (54 Stat. 1118),
6 to the extent that such benefit payments are in excess of
7 the salary deductions of such members credited to said
8 revenues of the District of Columbia during the fiscal year
9 1947, pursuant to section 12 of the Act of September 1,
10 1916 (39 Stat. 718), as amended, \$45,000.

11 BUREAU OF THE MINT

12 Salaries and expenses, Office of the Director: For per-
13 sonal services in the District of Columbia and for assay
14 laboratory chemicals, fuel, materials, balances, weights,
15 stationery (not to exceed \$700), books, periodicals, speci-
16 mens of coins, ores, and travel and other expenses incident
17 to the examination of mints, visiting mints for the purpose
18 of superintending the annual settlement, and for the collec-
19 tion of statistics relative to the annual production and con-
20 sumption of the precious metals in the United States,
21 \$170,000.

22 Transportation of bullion and coin: For transportation
23 of bullion and coin, by registered mail or otherwise, between
24 mints, assay offices, and bullion depositories, \$85,000, in-

1 cluding compensation of temporary employees and other
2 necessary expenses.

3 Salaries and expenses, mints and assay offices: For com-
4 pensation of officers and employees of the mints at Philadel-
5 phia, Pennsylvania; San Francisco, California; and Denver,
6 Colorado; the assay offices at New York, New York; and
7 Seattle, Washington, and the bullion depositories at Fort
8 Knox, Kentucky; and West Point, New York, including
9 necessary personal services for carrying out the provisions
10 of the Gold Reserve Act of 1934 and the Silver Purchase
11 Act of 1934, and any Executive orders, proclamations, and
12 regulations issued thereunder, and for incidental and con-
13 tingent expenses, including traveling expenses, stationery
14 (not to exceed \$3,900), new machinery and repairs,
15 arms and ammunition, purchase and maintenance of uni-
16 forms and accessories for guards, protective devices, and
17 their maintenance, training of employees in use of firearms
18 and protective devices, maintenance, repair, and operation
19 of three motor-propelled passenger-carrying vehicles, cases
20 and enameling for medals manufactured, net wastage in
21 melting and refining and in coining departments, loss on sale
22 of sweeps arising from the treatment of bullion and the
23 manufacture of coins, not to exceed \$500 for the expenses
24 of the annual assay commission, and not exceeding \$1,000

1 for the acquisition, at the dollar face amount or otherwise, of
2 specimen and rare coins, including United States and foreign
3 gold coins and pieces of gold used as, or in lieu of, money,
4 and ores, for addition to the Government's collection of such
5 coins, pieces, and ores; \$6,000,000.

6 Printing and binding: For printing and binding for the
7 Bureau of the Mint, \$9,500.

8 For a period of two years following the enactment of
9 this Act, the Secretary of the Treasury is authorized to sell
10 or lease for manufacturing uses, including manufacturing
11 uses incident to reconversion and the building up of employ-
12 ment in industry, upon such terms as the Secretary of the
13 Treasury shall deem advisable, to any person, partnership,
14 association, or corporation, or any department of the Gov-
15 ernment, any silver held or owned by the United States at
16 not less than 71.11 cents per fine troy ounce: *Provided*, That
17 at all times the ownership and the possession or control
18 within the United States of an amount of silver of a mone-
19 tary value equal to the face amount of all outstanding silver
20 certificates heretofore or hereafter issued by the Secretary
21 of the Treasury shall be maintained by the Treasury.

22 *(a) Subsection (b) of section 4 of the Act entitled "An*
23 *Act to extend the time within which the powers relating to*
24 *the stabilization fund and alteration of the weight of the*

1 dollar may be exercised", approved July 6, 1939, is amended
2 to read as follows:

3 “(b) (1) Until June 30, 1948, the Director of such
4 mint with the consent of the owner shall deduct and retain
5 of such silver so received 30 per centum as seigniorage for
6 services performed by the Government of the United States
7 relative to the coinage and delivery of silver dollars. The
8 balance of such silver so received, that is, 70 per centum, shall
9 be coined into standard silver dollars and the same or any
10 equal number of other standard silver dollars shall be de-
11 livered to the owner or depositor of such silver. The 30 per
12 centum of such silver so deducted shall be retained as bullion
13 by the Treasury or coined into standard silver dollars and
14 held or disposed of in the same manner as other bullion or
15 silver dollars held in or belonging to the Treasury.

16 “(2) On and after July 1, 1948, there shall be delivered
17 therefor in standard silver dollars or any other coin or coin-
18 age of the United States, the full monetary value of the silver
19 so delivered, less such deductions for brassage, coinage, and
20 other mint charges as the Secretary of the Treasury with
21 the approval of the President shall have determined, not to
22 exceed the actual cost thereof: Provided, That such mint is
23 satisfied the silver so delivered has been mined subsequently
24 to June 30, 1948, from natural deposits in the United States
25 or any place subject to the jurisdiction thereof.”

1 (b) The following statutes and portions of statutes are
2 hereby repealed:

3 (1) Section 1805 of the Internal Revenue Code, as
4 amended;

5 (2) Sections 6, 7, and 8, and the second proviso in sec-
6 tion 3, of the Silver Purchase Act of 1934, approved June
7 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).

8 (c) Until June 30, 1948, the Secretary of the Treasury
9 is authorized to sell for domestic manufacturing uses, to any
10 person, partnership, association, or corporation, or any
11 department of the Government, any nonmonetized silver held
12 or owned by the United States, at a price of not less than
13 90.3 cents per fine troy ounce, and thereafter at a price of
14 not less than the legal monetary value (of silver) per fine
15 troy ounce: Provided, That until June 30, 1948, no such
16 sale shall be made unless the purchaser has certified in
17 writing, and the Secretary of the Treasury is satisfied, that
18 such silver is to be used in domestic industry or the arts
19 and within a period of six months after any such sale:
20 Provided further, That at all times the ownership and the
21 possession or control within the United States of an amount
22 of silver of a monetary value equal to the face amount of
23 all outstanding silver certificates heretofore or hereafter issued
24 by the Secretary of the Treasury shall be maintained by the
25 Treasury: And provided further, That on the consummation

1 of such sale of silver by the Treasury to any purchaser, the
 2 purchaser shall immediately take possession of the silver so
 3 sold and by him purchased and remove the same from the
 4 Treasury, in accordance with such rules and regulations as
 5 the Secretary of the Treasury may prescribe.

6 (d) Hereafter, notwithstanding the provisions of any
 7 other law, maximum prices shall not be established or main-
 8 tained upon—

9 (1) standard commercial bars or other forms of
 10 silver bullion, whether foreign, domestic, or Treasury;

11 (2) semifabricated silver articles;

12 (3) silver scrap; or

13 (4) the processing of silver or silver scrap.

14 PROCUREMENT DIVISION

15 Salaries and expenses: For the Director of Procurement
 16 and other personal services in the District of Columbia and
 17 in the field service, and for miscellaneous expenses, includ-
 18 ing office supplies and materials, stationery (not to exceed
 19 \$31,500), purchase of motortrucks and maintenance and
 20 operation of such trucks and motor-propelled passenger-
 21 carrying vehicles, telegrams, telephone service, traveling
 22 expenses, office equipment, fuel, light, electric current,
 23 and other expenses for carrying into effect regulations
 24 governing the procurement, warehousing, and distribution
 25 by the Procurement Division of the Treasury Department

1 of property, equipment, stores, and supplies in the District
2 of Columbia and in the field, \$1,227,000: *Provided*, That the
3 Secretary of the Treasury is authorized and directed during
4 the fiscal year 1947 to transfer to this appropriation
5 from any appropriations or funds available to the several
6 departments and establishments of the Government for the
7 fiscal year 1947 such amounts as may be approved by
8 the Bureau of the Budget, not to exceed the sum of (a)
9 the amount of the annual compensation of employees who
10 may be transferred or detailed to the Procurement Division,
11 respectively, from any such department or establishment,
12 where the transfer or detail of such employees is incident
13 to a transfer of a function or functions to that Division and
14 (b) such amount as the Bureau of the Budget may deter-
15 mine to be necessary for expenses other than personal
16 services incident to the proper carrying out of functions so
17 transferred: *Provided further*, That when there has been or
18 shall be transferred from any agency of the Government to
19 the Procurement Division any function of warehousing, and
20 the agency from which such function is being transferred
21 is authorized at the time of such transfer to perform functions
22 of procurement, warehousing, or distribution of property,
23 equipment, stores, or supplies for non-Federal agencies the
24 Procurement Division is authorized during the fiscal year

1 1947 to continue the performance of such functions for
2 such non-Federal agencies where such functions are to
3 be discontinued by the agency from which the warehousing
4 function has been transferred, and the receipts, including
5 surcharge, for all issues to and all advances by all non-
6 Federal agencies shall be credited to the general supply
7 fund: *Provided further*, That payments during the fiscal
8 year 1947 to the general supply fund for materials, and
9 supplies (including fuel), and services, and overhead ex-
10 penses for all issues shall be made on the books of the
11 Treasury Department by transfer and counterwarrants pre-
12 pared by the Procurement Division of the Treasury Depart-
13 ment and countersigned by the Comptroller General, such
14 warrants to be based solely on itemized invoices prepared
15 by the Procurement Division at issue prices to be fixed
16 by the Director of Procurement: *Provided further*, That
17 payments covering transactions between the Procurement
18 Division and field offices of other Government agencies
19 whose detailed appropriation or fund accounts are main-
20 tained elsewhere than within the District of Columbia, may
21 be made on the basis of itemized vouchers or invoices
22 prepared by the Procurement Division and sent through
23 the appropriate field offices to the disbursing officers for
24 the agencies involved, who are hereby authorized to make
25 payment based (1) upon certification of the Procurement

1 Division, which shall include the specific statement that
2 the vouchers are issued pursuant to and in conformity with
3 purchase orders or requisitions duly executed by the agency
4 billed, and (2) upon approval and certification of such
5 vouchers by the agency billed, which action shall be based
6 upon acceptance of the Procurement Division certification
7 as made, subject to later adjustment if necessary, the re-
8 sponsibility of the certifying officer to be limited to the avail-
9 ability of the funds to be charged: *Provided further*, That
10 the general supply fund may be used to purchase from or
11 through the Public Printer standard forms and blankbook
12 work for field warehouse stocking and issue, but issues
13 thereof shall be made only to Government agencies and
14 shall be chargeable to applicable appropriation authoriza-
15 tions or limitations of such agencies for printing and binding,
16 and reports of such issues shall be made as the Public Printer
17 may require: *Provided further*, That advances received
18 pursuant to law (31 U. S. C. 686) from departments and
19 establishments of the United States Government and the
20 government of the District of Columbia during the fiscal
21 year 1947 shall be credited to the general supply fund:
22 *Provided further*, That during the fiscal year 1947
23 there shall be available from the general supply fund
24 for personal services in the District of Columbia not to
25 exceed \$1,250,000: *Provided further*, That per diem em-

1 ployees engaged in work in connection with operations of
2 the fuel yards may be paid rates of pay approved by the
3 Secretary of the Treasury not exceeding current rates for
4 similar services in the District of Columbia: *Provided further*,
5 That the term "fuel" shall be held to include "fuel oil":
6 *Provided further*, That the reconditioning and repair of sur-
7 plus property and equipment for disposition or reissue to
8 Government service, may be made at cost by the Procure-
9 ment Division, payment therefor to be effected by charging
10 the proper appropriation and crediting the general supply
11 fund: *Provided further*, That all orders for printing and
12 binding for the Treasury Department, exclusive of work
13 performed in the Bureau of Engraving and Printing and
14 exclusive of such printing and binding as may under existing
15 law be procured by field offices under authorization of the
16 Joint Committee on Printing, shall be placed by the Director
17 of Procurement in accord with the provisions of existing
18 law.

19 Repairs to typewriting machines (except bookkeeping
20 and billing machines) in the Government service in the
21 District of Columbia and areas adjacent thereto may be made
22 at cost by the Procurement Division, payment therefor to be
23 effected by charging the proper appropriation and crediting
24 the general supply fund.

25 No part of any money appropriated by this or any other

1 Act shall be used during the fiscal year 1947 for
 2 the purchase, within the continental limits of the United
 3 States, of any standard typewriting machines (except book-
 4 keeping, billing, and electric machines) at a price in excess
 5 of the following for models with carriages which will ac-
 6 commodate paper of the following widths, to wit: Ten inches
 7 (correspondence models), ~~\$70~~ \$77; twelve inches, ~~\$75~~
 8 \$82.50; fourteen inches, ~~\$77.50~~ \$85.25; sixteen inches,
 9 ~~\$82.50~~ \$90.75; eighteen inches, ~~\$87.50~~ \$96.25; twen-
 10 ty inches, ~~\$94~~ \$103.40; twenty-two inches, ~~\$95~~ \$104.50;
 11 twenty-four inches, ~~\$97.50~~ \$107.25; twenty-six inches,
 12 ~~\$103.50~~ \$113.85; twenty-eight inches, ~~\$104~~ \$114.40;
 13 thirty inches, ~~\$105~~ \$115.50; thirty-two inches, ~~\$107.50~~
 14 \$118.25; or, for standard typewriting machines distinctively
 15 quiet in operation, the maximum prices shall be as follows
 16 for models with carriages which will accommodate paper
 17 of the following widths, to wit: Ten inches, \$80 \$88;
 18 twelve inches, ~~\$85~~ \$93.50; fourteen inches, \$90 \$99;
 19 eighteen inches, ~~\$95~~ \$104.50: *Provided*, That there may
 20 be added to such prices the amount of Federal excise taxes
 21 paid or payable with respect to any such machines.

22 Printing and binding: For printing and binding for the
 23 Procurement Division, including printed forms and miscel-
 24 laneous items for general use of the Treasury Department,
 25 the cost of transportation to field offices of printed and bound

1 material and the cost of necessary packing boxes and pack-
 2 ing materials, \$150,000, together with not to exceed \$4,000
 3 to be transferred from the general supply fund, Treasury
 4 Department.

5 No part of any appropriation or authorization in this
 6 Act shall be used to pay any part of the salary or expenses
 7 of any person whose salary or expenses are prohibited from
 8 being paid from any appropriation or authorization in any
 9 other Act.

10 This title may be cited as the "Treasury Department
 11 Appropriation Act, 1947".

12 TITLE II—POST OFFICE DEPARTMENT

13 The following sums are appropriated in conformity with
 14 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office
 15 Department for the fiscal year ending June 30, 1947,
 16 namely:

17 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
 18 COLUMBIA

19 OFFICE OF THE POSTMASTER GENERAL

20 Salaries: For the Postmaster General and other per-
 21 sonal services in the office of the Postmaster General in
 22 the District of Columbia, ~~\$319,900~~ \$329,900.

23 SALARIES IN BUREAUS AND OFFICES

24 For personal services in the District of Columbia in

1 bureaus and offices of the Post Office Department in not to
2 exceed the following amounts, respectively:

3 Office of Budget and Administrative Planning,
4 \$50,650.

5 Office of the First Assistant Postmaster General,
6 ~~\$940,000~~ \$964,600.

7 Office of the Second Assistant Postmaster General,
8 ~~\$750,000~~ \$774,000.

9 Office of the Third Assistant Postmaster General,
10 ~~\$1,148,000~~ \$1,175,500.

11 Office of the Fourth Assistant Postmaster General,
12 ~~\$630,000~~ \$659,800.

13 Office of the Solicitor for the Post Office Department,
14 ~~\$147,500~~ \$170,000.

15 Office of the chief inspector, ~~\$368,000~~ \$393,000.

16 Office of the purchasing agent, \$67,800.

17 Bureau of Accounts, ~~\$500,000~~ \$544,000.

18 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

19 For all necessary contingent and miscellaneous expenses
20 not otherwise provided for; including maintenance, repair,
21 and operation of two passenger automobiles; purchase and
22 exchange of lawbooks and books of reference; newspapers;
23 and travel expenses of the purchasing agent and of the
24 Solicitor and attorneys connected with his office, not exceed-
25 ing \$1,900; \$155,000.

1 For printing and binding for the Post Office Depart-
2 ment and Postal Service, \$1,825,000.

3 Appropriations hereinafter made for the field service of
4 the Post Office Department, except as otherwise provided,
5 shall not be expended for any of the purposes hereinbefore
6 provided for on account of the Post Office Department in the
7 District of Columbia: *Provided*, That the actual and neces-
8 sary expenses of officials and employees of the Post Office
9 Department and Postal Service, when traveling on official
10 business, may be paid from the appropriations for the service
11 in connection with which the travel is performed, and appro-
12 priations for the fiscal year 1947 shall be available
13 therefor: *Provided further*, That appropriations hereinafter
14 made, except such as are exclusively for payment of com-
15 pensation, shall be available for expenses in connection
16 with the examination of estimates for appropriations in
17 the field including per diem allowances in lieu of actual
18 expenses of subsistence.

19 FIELD SERVICE, POST OFFICE DEPARTMENT

20 OFFICE OF THE POSTMASTER GENERAL

21 Travel expenses, Postmaster General and Assistant
22 Postmasters General: For travel and miscellaneous expenses
23 in the Postal Service, offices of the Postmaster General and
24 Assistant Postmasters General, \$3,000.

25 Personal or property damage claims: To enable the

1 Postmaster General to pay claims for damages, occurring
2 during the fiscal year 1947, or in prior fiscal years,
3 to persons or property in accordance with the provisions
4 of the Deficiency Appropriation Act, approved June 16,
5 1921 (5 U. S. C. 392), as amended by the Act approved
6 June 22, 1934 (31 U. S. C. 224c), \$124,000.

7 Adjusted losses and contingencies: To pay to post-
8 masters, Navy mail clerks, and assistant Navy mail clerks
9 or credit them with the amount ascertained to have been
10 lost or destroyed during the fiscal year 1947, or prior fiscal
11 years, through unavoidable casualty resulting from no fault
12 or negligence on their part, as authorized by the Act ap-
13 proved March 17, 1882, as amended (39 U. S. C. 49),
14 \$55,000.

15 OFFICE OF CHIEF INSPECTOR

16 Salaries of inspectors: For salaries of fifteen inspectors
17 in charge of divisions and eight hundred inspectors, \$3,838,-
18 000.

19 Travel and miscellaneous expenses: For necessary travel
20 expenses of inspectors, inspectors in charge, the chief post-
21 office inspector, and the assistant chief post-office inspector,
22 including reimbursement of not to exceed 3 cents per mile for
23 official travel performed by them in privately owned auto-
24 mobiles within the limits of their official stations, and for the
25 travel expenses of four clerks performing stenographic and

1 clerical assistance to post-office inspectors in the investigation
 2 of important fraud cases; for tests, exhibits, documents, pho-
 3 tographs, office, and other necessary expenses incurred by
 4 post-office inspectors in connection with their official investi-
 5 gations, including necessary miscellaneous expenses of
 6 division headquarters, and not to exceed \$500 for books of
 7 reference needed in the operation of the Post Office Inspection
 8 Service, \$960,000: *Provided*, That not exceeding \$24,500
 9 of this sum shall be available for transfer by the Postmaster
 10 General to other departments and independent establish-
 11 ments for chemical and other investigations.

12 Clerks: For compensation of three hundred and eighty-
 13 nine clerks in the Post Office Inspection Service, ~~\$1,073,-~~
 14 ~~500~~ \$1,100,000.

15 Payment of rewards: For payment of rewards for the
 16 detection, arrest, and conviction of post-office burglars, rob-
 17 bers, highway mail robbers, and persons mailing or causing
 18 to be mailed any bomb, infernal machine, or mechanical,
 19 chemical, or other device or composition which may ignite,
 20 or explode, \$55,000: *Provided*, That rewards may be paid
 21 in the discretion of the Postmaster General, when an offender
 22 of the classes mentioned was killed in the act of committing
 23 the crime or in resisting lawful arrest: *Provided further*,
 24 That no part of this sum shall be used to pay any rewards
 25 at rates in excess of those specified in Post Office Depart-

1 ment Order 28673, dated July 28, 1945: *Provided further,*
2 That of the amount herein appropriated not to exceed
3 \$20,000 may be expended in the discretion of the Postmaster
4 General, for the purpose of securing information concerning
5 violations of the postal laws and for services and information
6 looking toward the apprehension of criminals.

7 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

8 Compensation to postmasters: For compensation to
9 postmasters, including compensation as postmaster to persons
10 who, pending the designation of an acting postmaster,
11 assume and properly perform the duties of postmaster in
12 the event of a vacancy in the office of postmaster of the
13 third or fourth class, and for allowances for rent, light,
14 fuel, and equipment to postmasters of the fourth class,
15 \$74,000,000.

16 Compensation to assistant postmasters: For compensa-
17 tion to assistant postmasters at first- and second-class post
18 offices, ~~\$11,440,000~~ \$11,725,500.

19 Clerks, first- and second-class post offices: For compen-
20 sation to clerks and employees at first- and second-class post
21 offices, including auxiliary clerk hire at summer and winter
22 post offices, printers, mechanics, skilled laborers, watchmen,
23 messengers, mail handlers, and substitutes, \$391,870,000.

24 Contract station service: For contract station serv-
25 ice, \$3,100,000.

1 Separating mails: For separating mails at fourth-class
2 post offices, \$180,000.

3 Unusual conditions: For unusual conditions at post
4 offices, \$50,000.

5 Clerks, third-class post offices: For compensation to
6 clerks at third-class post offices, \$17,512,000.

7 Miscellaneous items, first- and second-class post offices:
8 For miscellaneous items necessary and incidental to the
9 operation and protection of post offices of the first and second
10 classes, and the business conducted in connection therewith,
11 not provided for in other appropriations, \$3,000,000.

12 Village delivery service: For village delivery service in
13 towns and villages having post offices of the second or third
14 class, and in communities adjacent to cities having city
15 delivery, \$273,400.

16 Detroit River service: For Detroit River postal service,
17 \$12,990.

18 Carfare and bicycle allowance: For carfare and bicycle
19 allowance, including special-delivery carfare, cost of trans-
20 porting carriers by privately owned automobiles to and from
21 their routes, at rates not exceeding regular streetcar or bus
22 fare, and purchase, maintenance, and exchange of bicycles,
23 \$1,575,000.

24 City delivery carriers: For pay of letter carriers, City

1 Delivery Service, and United States Official Mail and Mes-
2 senger Service, \$217,000,000.

3 Special-delivery compensation and fees: For compensa-
4 tion and fees to special-delivery messengers, \$12,500,000.

5 Rural Delivery Service: For pay of rural carriers,
6 auxiliary carriers, substitutes for rural carriers on annual and
7 sick leave, clerks in charge of rural stations, tolls and ferriage,
8 and necessary miscellaneous and incidental expenses of the
9 Rural Delivery Service, \$114,500,000, of which not less than
10 \$200,000 shall be available for extensions and new service.

11 OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

12 Star-route service: For inland transportation by star
13 routes (excepting service in Alaska), including temporary
14 service to newly established offices, \$20,700,000.

15 Star Route and Air Mail Service, Alaska: For inland
16 transportation by Star Route and Air Mail Service in Alaska,
17 \$375,000.

18 Powerboat service: For inland transportation by steam-
19 boat or other powerboat routes, including ship, steamboat,
20 and way letters, \$1,600,000.

21 Railroad transportation and mail messenger service: For
22 inland transportation by railroad routes and for mail mes-
23 senger service, \$137,000,000: *Provided*, That separate ac-
24 counts be kept of the amount expended for mail messenger
25 service.

1 Railway Mail Service: For fifteen division superinten-
2 dents, fifteen assistant division superintendents, two assistant
3 superintendents at large, one hundred and twenty chief
4 clerks, one hundred and twenty assistant chief clerks, and
5 other employees in the Railway Mail Service, \$85,500,000.

6 Railway postal clerks, travel allowance: For travel
7 allowance to railway postal clerks and substitute railway
8 postal clerks, \$4,800,000.

9 Railway Mail Service, travel expenses: For actual
10 and necessary travel expenses, general superintendent and
11 assistant general superintendent, division superintendents,
12 assistant division superintendents, assistant superintendents,
13 chief clerks, and assistant chief clerks, Railway Mail Service,
14 and railway postal clerks, \$58,000.

15 Railway Mail Service, miscellaneous expenses: For
16 all necessary miscellaneous expenses of the Railway Mail
17 Service not provided for in other appropriations, \$415,000.

18 Electric-car service: For electric-car service, \$235,000.

19 Foreign mail transportation: For transportation of for-
20 eign mails, except by aircraft, \$4,000,000: *Provided*, That
21 the Postmaster General is authorized to spend such sums
22 as may be necessary, not to exceed \$72,000, to cover the
23 cost to the United States for maintaining sea post service
24 on ocean steamships conveying mails to and from the
25 United States.

1 Balances due foreign countries: The unexpended
2 balances of the appropriations, "Balances due foreign
3 countries", for the fiscal years 1944, 1945, and 1946 are
4 hereby made available for the fiscal year 1947 and prior
5 years.

6 Indemnities, international mail: For payment of limited
7 indemnity for the injury or loss of international mail in
8 accordance with convention, treaty, or agreement stipula-
9 tions, fiscal year 1947 and prior years, \$8,000: *Pro-*
10 *vided*, That the unexpended balances of the appropria-
11 tions, "Indemnities, international mail," for the fiscal
12 years 1945 and 1946, are hereby made available for the fiscal
13 year 1947 and prior years.

14 Foreign air-mail transportation: For transportation of
15 foreign mails by aircraft, as authorized by law, including
16 the transportation of mail by aircraft between Seattle, Wash-
17 ington, and Fairbanks, Alaska, via intermediate points,
18 \$5,000,000.

19 Domestic Air Mail Service: For the inland transpor-
20 tation of mail by aircraft, as authorized by law, and for
21 all necessary miscellaneous and travel expenses, and including
22 not to exceed \$106,000 for supervisory officials and clerks at
23 field headquarters, \$49,000,000.

24 OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

25 Manufacture and distribution of stamps and stamped

1 paper: For manufacture and distribution of stamps and
 2 stamped paper, and not to exceed \$27,000 for compensation
 3 to employees of the United States Stamped Envelope Agency,
 4 and for all necessary miscellaneous expenses of said agency,
 5 \$6,500,000.

6 Indemnities, domestic mail: For payment of indemnity
 7 for the injury or loss of domestic registered, insured and
 8 collect-on-delivery mail, and for failure to remit collect-on-
 9 delivery charges, fiscal year 1947 and prior years \$2,-
 10 200,000.

11 Unpaid money orders more than one year old: For
 12 payment of domestic money orders after one year from the
 13 last day of the month of issue of such orders, \$1,300,000.

14 OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

15 Post office stationery, equipment, and supplies: For the
 16 purchase, manufacture, repair, and installation of all neces-
 17 sary miscellaneous equipment and supplies for the Postal
 18 Service not provided for in other appropriations; for inci-
 19 dental expenses of the Postal Service not provided for in
 20 other appropriations; accident prevention; for the purchase of
 21 atlases and geographical and technical works not to exceed
 22 \$1,500; and not exceeding \$112,250 for personal services,
 23 and not to exceed \$42,200 for salaries of thirteen traveling
 24 mechanics; for rental of canceling machines and motors,
 25 mechanical mail-handling apparatus, and other labor-saving

1 devices, and for travel expenses, ~~\$6,000,000~~ \$6,384,000
2 of which \$1,000,000 shall be available exclusively for the
3 purchase of omnidenominational postage meters, stamp vend-
4 ing machines, coin-operated postage meters, and other modern
5 mechanical postal devices: *Provided*, That the Postmaster
6 General may authorize the sale to the public of post-route
7 maps and rural-delivery maps or blueprints at the cost of
8 printing and 10 per centum thereof added.

9 Equipment shops, Washington, District of Columbia:
10 For the purchase, manufacture, and repair of mail bags and
11 other equipment for the postal service not provided for in
12 other appropriations; accident prevention; for all necessary
13 and miscellaneous expenses incident to the operation, care,
14 maintenance, and protection of the mail equipment shops
15 building, grounds, and equipment, \$2,575,000; of which not
16 to exceed \$869,500 may be expended for personal services
17 in the District of Columbia: *Provided*, That out of this
18 appropriation the Postmaster General is authorized to use
19 as much of the sum, not exceeding \$15,000, as may be
20 deemed necessary for the purchase of material and the manu-
21 facture in the equipment shops of such small quantities of
22 distinctive equipments as may be required by other execu-
23 tive departments; and for service in Alaska, Puerto Rico,
24 Philippine Islands, Hawaii, or other island possessions.

25 Rent, light, power, fuel, and water: For rent, light,

1 power, fuel, and water, for first-, second-, and third-class
2 post offices, and the cost of advertising for lease proposals
3 for such offices, ~~\$12,525,000~~ \$12,825,000.

4 Pneumatic-tube service, New York City, and Boston:
5 For rental of not exceeding twenty-eight miles of pneu-
6 matic tubes, hire of labor, communication service, electric
7 power, and other expenses for transmission of mail in the
8 city of New York including the Borough of Brooklyn;
9 and for rental of not exceeding two miles of pneumatic
10 tubes, not including labor and power in operating the
11 same, for the transmission of mail in the city of Boston,
12 Massachusetts, \$608,700: *Provided*, That the Acts of April
13 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C.
14 423), relating to contracts for the transmission of mail by
15 pneumatic tubes or other similar devices shall not be ap-
16 plicable to the city of New York and the provisions not
17 inconsistent herewith of the Acts of April 21, 1902, and
18 May 27, 1908 (39 U. S. C. 423), shall be applicable to the
19 city of Boston.

20 Vehicle service: For the hire, purchase, maintenance,
21 repair, and operation of vehicles for use in the collection,
22 transportation, delivery, and supervision of the mail, includ-
23 ing the repair of vehicles owned by, or under the control
24 of, units of the National Guard and departments and agen-

1 cies of the Federal Government where repairs are made
2 necessary because of utilization of such vehicles in the
3 Postal Service; the rental of garage facilities; accident pre-
4 vention; and including compensation to necessary employees
5 in the Motor Vehicle Service, ~~\$33,650,000~~ \$33,381,000,
6 of which \$3,500,000 shall be available immediately and
7 exclusively for the purchase of trucks: *Provided*, That the
8 Postmaster General may, in his disbursement of this
9 appropriation, apply a part thereof to the leasing of
10 quarters for the housing of Government-owned motor
11 vehicles at a reasonable annual rental for a term not
12 exceeding ten years: *Provided further*, That the Postmaster
13 General may purchase and maintain from this appropriation
14 such tractors and trailer trucks as may be required in the
15 operation of the vehicle service: *Provided further*, That no
16 part of this appropriation shall be expended for maintenance
17 or repair of motor-propelled passenger-carrying vehicles for
18 use in connection with the administrative work of the Post
19 Office Department in the District of Columbia.

20 Transportation of equipment and supplies: For the trans-
21 portation and delivery of equipment, materials, and supplies
22 for the Post Office Department and Postal Service by freight,
23 express, or motor transportation, and other incidental ex-
24 penses, \$520,000.

1 PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

2 Operating force: For compensation to employees in the
3 custodial service, ~~\$37,000,000~~ \$37,310,000.

4 Operating supplies, public buildings: For all necessary
5 miscellaneous articles, services and supplies, including trans-
6 portation thereof, required for the operation of completed and
7 occupied public buildings and grounds operated by the Post
8 Office Department, accident prevention, ~~\$6,650,000~~ \$6,-
9 797,500: *Provided*, That the foregoing appropriation shall
10 not be available for personal services except for work done
11 by contract, or for temporary job labor under exigency not
12 exceeding at one time the sum of \$250 at any one building:
13 *Provided further*, That the Postmaster General is authorized
14 to contract for telephone service in public buildings under his
15 administration by means of telephone switchboards or equiva-
16 lent telephone switching equipment jointly serving in each
17 case two or more governmental activities, where he deter-
18 mines that joint service is economical and in the interest of
19 the Government, and to secure reimbursement for the cost of
20 such joint service from available appropriations for telephone
21 expenses of the bureaus and offices receiving the same.

22 Furniture, carpets, and safes, public buildings: For the
23 procurement, including transportation, of furniture, carpets,
24 safes, safe and vault protective devices, and repairs of same,
25 for use in public buildings which are now, or may hereafter

1 be, operated by the Post Office Department, \$818,000:
2 *Provided*, That excepting expenditures for labor for or in-
3 cidental to the moving of equipment from or into public
4 buildings, the foregoing appropriation shall not be used for
5 personal services except for work done under contract or for
6 temporary job labor under exigency and not exceeding at
7 one time the sum of \$100 at any one building: *Provided*
8 *further*, That all furniture now owned by the United States
9 in other public buildings or in buildings rented by the United
10 States shall be used, so far as practicable, whether or not it
11 corresponds with the present regulation plan of furniture.

12 *During the fiscal year 1947, the Postmaster General*
13 *shall make quarterly reports to the Senate and House Com-*
14 *mittees on Appropriations, showing for each quarter the*
15 *amount paid from each appropriation for overtime, the*
16 *number of employees receiving such overtime, and the number*
17 *of hours of overtime worked by such employees, together*
18 *with a statement as to the necessity for such overtime work.*

19 Deficiency in postal revenues: If the revenues of the
20 Post Office Department shall be insufficient to meet the
21 appropriations made under title II of this Act, a sum equal
22 to such deficiency in the revenues of such Department is
23 hereby appropriated, to be paid out of any money in the
24 Treasury not otherwise appropriated, to supply such defi-
25 ciency in the revenues of the Post Office Department for the

1 fiscal year ending June 30, 1947, and the sum needed
2 may be advanced to the Post Office Department upon
3 requisition of the Postmaster General.

4 This title may be cited as the "Post Office Department
5 Appropriation Act, 1947".

6 TITLE III—GENERAL PROVISIONS

7 SEC. 301. No part of any appropriation contained in
8 this Act shall be used to pay the salary or wages of any
9 person who advocates, or who is a member of an organ-
10 ization that advocates, the overthrow of the Government of
11 the United States by force or violence: *Provided*, That for
12 the purposes hereof an affidavit shall be considered prima
13 facie evidence that the person making the affidavit does
14 not advocate, and is not a member of an organization that
15 advocates, the overthrow of the Government of the United
16 States by force or violence: *Provided further*, That any
17 person who advocates, or who is a member of an organ-
18 ization that advocates, the overthrow of the Government
19 of the United States by force or violence and accepts em-
20 ployment, the salary or wages for which are paid from
21 any appropriation contained in this Act, shall be guilty
22 of a felony and, upon conviction, shall be fined not more
23 than \$1,000 or imprisoned for not more than one year,
24 or both: *Provided further*, That the above penalty clause

1 shall be in addition to, and not in substitution for, any
2 other provisions of existing law.

3 *SEC. 301. No part of any appropriation contained in*
4 *this Act shall be used to pay the salary or wages of any*
5 *person who engages in a strike against the Government of*
6 *the United States or who is a member of an organization*
7 *of Government employees that asserts the right to strike*
8 *against the Government of the United States, or who advo-*
9 *cates, or is a member of an organization that advocates, the*
10 *overthrow of the Government of the United States by force*
11 *or violence: Provided, That for the purposes hereof an*
12 *affidavit shall be considered prima facie evidence that the*
13 *person making the affidavit has not contrary to the provisions*
14 *of this section engaged in a strike against the Government*
15 *of the United States, is not a member of an organization of*
16 *Government employees that asserts the right to strike against*
17 *the Government of the United States, or that such person*
18 *does not advocate, and is not a member of an organization*
19 *that advocates, the overthrow of the Government of the*
20 *United States by force or violence: Provided further, That*
21 *any person who engages in a strike against the Government*
22 *of the United States or who is a member of an organization*
23 *of Government employees that asserts the right to strike*
24 *against the Government of the United States, or who ad-*
25 *vocates, or who is a member of an organization that advo-*

1 cates, the overthrow of the Government of the United States
2 by force or violence and accepts employment the salary or
3 wages for which are paid from any appropriation contained
4 in this Act shall be guilty of a felony and, upon conviction,
5 shall be fined not more than \$1,000 or imprisoned for not
6 more than one year, or both: Provided further, That the
7 above penalty clause shall be in addition to, and not in
8 substitution for, any other provisions of existing law.

9 SEC. 302. This Act may be cited as the "Treasury
10 and Post Office Departments Appropriation Act, 1947".

Passed the House of Representatives February 14, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

79TH CONGRESS
2^D Session

H. R. 5452

[Report No. 1432]

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

FEBRUARY 15 (legislative day, JANUARY 18), 1946

Read twice and referred to the Committee on Appropriations

JUNE 8 (legislative day, MARCH 5), 1946

Reported with amendments

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 21, after the words "District of
- 2 Columbia," insert "and elsewhere,".

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 22, strike out "\$206,900" and
- 2 insert "\$200,000".

6-15-46—BB

79TH CONGRESS
2^D SESSION

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 3, strike out: "Fiscal Assistant
- 2 Secretary of the Treasury,".

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 4, strike out the word "two" and
- 2 insert in lieu thereof the word "three".

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 5, after the words "District of Colum-
- 2 bia" insert the words "and elsewhere".

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 6, strike out: “\$442,000” and insert
- 2 “\$440,000”.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 6, beginning with the word "*Provided*"
- 2 strike out down to and including line 8.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 7, strike out the word "eighteen" and
- 2 insert the word "sixteen".

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 12, strike out “\$4,400,000” and
- 2 “\$4,000,000”.

79TH CONGRESS
2D SESSION

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCamran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 18, after the word "any" insert the
- 2 word "legal".

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 19, strike out "regulations, or instruc-
- 2 tions" and insert "or regulations".

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 21, strike out the comma after the
- 2 word "functions".

79TH CONGRESS
2^D SESSION

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 2, line 23, after the word "military" insert
- 2 the words "or naval".

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 1, strike out the words "motor-
- 2 propelled".

79TH CONGRESS
2^D Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, beginning in line 1, strike out the words
2 “a motor-propelled passenger-carrying vehicle” and insert
3 “one or more motor-propelled passenger-carrying vehicles”.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 5, strike out the words “and reimburse-
- 2 ment of” and insert “or”.

6-15-46—P

79TH CONGRESS
2^D SESSION

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 6, strike out "\$1,000,000" and
- 2 insert "\$1,050,000".

79TH CONGRESS
2^D SESSION

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 9, immediately preceding the figure
- 2 "\$175,000" insert "and elsewhere,".

79TH CONGRESS
2^D Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 9, strike out "\$175,000" and insert
- 2 "\$200,000".

79TH CONGRESS
2^D SESSION

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 12, after the comma immediately fol-
- 2 lowing the word "Columbia" insert "and elsewhere,".

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 12, strike out "\$90,500" and insert
- 2 "\$90,000".

6-15-46—U

79TH CONGRESS
2D Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 15, after the comma immediately fol-
- 2 lowing the word "Columbia" insert "and elsewhere,".

79TH CONGRESS
2d Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, March 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 15, strike out "\$165,000" and insert
- 2 "\$160,000".

6-15-46—W

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 18, after the words "District of
- 2 Columbia," insert "and elsewhere,".

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 3, line 18, strike out "\$179,100" and insert
- 2 "\$177,500".

79TH CONGRESS
2^D Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 15 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 One page 3, beginning at the end of line 20, strike out
- 2 "personal" and insert "personnel".

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 15 (legislative day, MAJOR 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 18 (legislative day, MARCH 5), 1946
Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 13, following the paragraph ending in line 21, insert the following:

1 As used hereafter in this section—

2 (1) The term “veteran” means any person who was
3 in the military service of the United States, as defined in
4 section 101 (1) of the Soldiers’ and Sailors’ Relief Act of
5 1940, at any time during the period beginning on December
6 7, 1941, and ending on the date of the cessation of hostilities
7 in the present war as proclaimed by the President, and who
8 shall have been honorably discharged from such service; or

1 any person who served in the Women's Army Auxiliary
2 Corps and who shall have been honorably discharged for
3 disability incident to such service.

4 (2) The term "veteran's loan" means a loan made by
5 a lending agency to a veteran pursuant to the provisions
6 of this Act for the purpose of enabling such veteran to retire
7 indebtedness owed by him on the date of his discharge from
8 the service.

9 (3) The term "lending agency" means any banking in-
10 stitution the deposits of which are insured by the Federal
11 Deposit Insurance Corporation, any Federal savings and loan
12 association organized pursuant to the provisions of section 5
13 of the Home Owners' Loan Act of 1933, as amended, and
14 any building and loan association which is a member of a
15 Federal home-loan bank.

16 (4) Masculine pronouns shall be taken to include the
17 feminine, the singular to include the plural and the plural to
18 include the singular.

19 Upon receipt of an application in such form as may be
20 prescribed by the Reconstruction Finance Corporation (here-
21 inafter referred to as the "Corporation") pursuant to section
22 5 (a) of this Act, filed by a veteran within six months after
23 the date of his discharge from the service, or within six
24 months after the date of enactment of this Act, whichever is
25 later, and upon execution by such veteran of a veteran's note

1 in such form as may be prescribed by the Corporation pur-
2 suant to such section 5 (a), a lending agency is authorized
3 to make a veteran's loan to such veteran in an amount not
4 to exceed the amount of indebtedness and accrued interest
5 thereon owned by such veteran on the date of his discharge
6 as evidenced in the manner prescribed in subsection (c) of
7 this section; but in no case shall the amount of such loan
8 exceed \$1,000.

9 Such veterans' loan shall be on the monthly install-
10 ment plan, repayment to begin six months after the date of
11 execution of the loan. Veterans' loan shall bear interest at
12 the rate of 6 per centum per annum on the unpaid portion
13 of the obligation. No veteran's loan shall be made for a
14 period longer than three years; but if made for a shorter
15 period, any veteran's loan may be refinanced, in the dis-
16 cretion of the lending agency, by extension of payments,
17 without impairing the obligation of the Corporation under
18 section 5 (a) of this Act: *Provided*, That under any re-
19 financing plan agreed to, equal monthly installments shall be
20 required, and provision shall be made for complete discharge
21 of the entire obligation, including interest, not later than
22 three years from the date of the veteran's loan. Acceleration
23 of installments on a veteran's loan shall not be permitted by
24 the lending agency unless the loan is more than three months
25 in arrears, except that the lending agency may accept whole

1 or partial settlement of any veteran's loan, without regard to
2 prescribed installments, in any case where the lending agency
3 has good reason to believe that the veteran's loan was pro-
4 cured, wholly or in part, by fraud.

5 Any application for a veteran's loan shall be accom-
6 panied by satisfactory evidence of the honorable discharge of
7 the applicant, by a list of present and certain future benefits
8 due the applicant from the Government of the United States,
9 or from any of its departments or agencies, at the time of the
10 application, and by a certified list of creditors showing the
11 amounts owed by such applicant as of the date of such dis-
12 charge; and shall comply with such other requirements as
13 may be provided in accordance with section 5 (a) of this
14 Act. No security, endorsers, or comakers shall be required
15 with respect to any such loan. The obligation of the Cor-
16 poration to purchase, as provided in section 3, shall not be
17 created in the case of any borrower who is not in fact a
18 veteran.

19 Within five days after making any veteran's loan,
20 the lending agency shall give notice thereof, in such form
21 as shall be provided in accordance with section 5 (a) of
22 this Act, to the Corporation and to all Government depart-
23 ments and agencies from which benefits are due or to become
24 due the applicant, according to the list filed by the applicant

1 with his application, as provided in subsection 2 (c) of this
2 Act.

3 The Corporation shall agree to purchase from the
4 lending agency any note legally executed by a veteran for
5 the purpose of securing a veteran's loan, in full compliance
6 with the provisions of section 2 and subsection 6 (a) of
7 this Act, which remains unpaid for thirty days after the date
8 of maturity thereof, or on which installments are more than
9 three months in arrears, at a price equal to the unpaid
10 portion of such note and any interest accrued and unpaid
11 thereon: *Provided*, That in any case in connection with
12 which the lending agency is guilty of fraud or gross negli-
13 gence, the Corporation shall not be obligated under this
14 section. As consideration for such agreement by the Cor-
15 poration, the lending agency shall agree to pay to the
16 Corporation an amount equal to $1\frac{1}{2}$ per centum per annum
17 of the unpaid portion of such loan, to be payable at such
18 time and in such manner as the Corporation may prescribe.

19 Upon notice by the Corporation or by a lending agency
20 that it is the holder of a note given by a veteran for the
21 purpose of securing a veteran's loan under this Act, any
22 Government department or agency of the United States
23 shall consider the amount of unpaid principal and interest
24 thereon as a preferred lien on any pension, compensation,

1 insurance, or other financial benefit accrued or thereafter
2 accruing, under any of the laws administered by such de-
3 partment or agency, to such veteran or to his dependents or
4 beneficiaries, and shall withhold from such accrued or accru-
5 ing benefits, and remit to the Corporation upon demand,
6 such amounts as will fully discharge such indebtedness:

7 *Provided*, That the official having charge of the payment
8 of any such benefits may, with the approval of the Corpora-
9 tion, release all or part of such benefits from the Corpora-
10 tion's lien, in any case where he determines such release is
11 advisable because of the needs of the veteran, or his de-
12 pendants or beneficiaries.

13 The special remedy provided in the preceding paragraph
14 shall not be deemed exclusive.

15 The Corporation is authorized and directed to prescribe
16 and furnish to lending agencies forms of applications for
17 veterans' loans under this Act and of notes to be executed
18 by veterans for the purpose of securing such loans, and to
19 promulgate such rules and regulations as may be necessary
20 and proper to enable it to carry out the provisions of this Act
21 and such forms, rules, and regulations shall be uniform with
22 regard to all veterans' loans.

23 The amount of notes, debentures, bonds, or other obliga-
24 tions which the Corporation is authorized to issue and have
25 outstanding at any one time under existing law is hereby

1 increased by an amount sufficient to enable the Corporation
2 to carry out the provisions of this Act.

3 Not more than one veteran's loan shall be made under
4 the provisions of this Act to any veteran, regardless of the
5 amount of such loan, except that a veteran who has received
6 a veteran's loan for less than the maximum amount of the
7 loan to which he is entitled under subsection 2 (a) of this
8 Act, but who is otherwise eligible for a veteran's loan, may
9 apply for and receive a second veteran's loan: *Provided,*
10 That the existence of the first veteran's loan shall be disclosed
11 by the applicant to the lending agency to which application
12 for a second veteran's loan is made, and that such lending
13 Agency shall make certain such first loan is paid in full, both
14 as to principal and interest, from the proceeds of such second
15 veteran's loan.

16 Any person who, having obtained a veteran's loan
17 under this Act, solicits, applies for, or accepts another such
18 loan, except as provided in subsection 6 (a) of this Act, and
19 any person who knowingly and willfully furnishes any false
20 or misleading information for the purpose of obtaining a vet-
21 eran's loan, or of enabling another to obtain a veteran's loan,
22 under this Act, shall, upon conviction thereof, be punished
23 by a fine of not more than \$2,000 or by imprisonment for
24 not more than one year, or both.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

- 1 On page 15, following the paragraph ending in line 12,
- 2 insert the following: "The Commissioner of Internal Reve-
- 3 nue is authorized and directed to make a full and complete
- 4 study and investigation with respect to the business practices
- 5 and operations of the alcoholic-beverage industry in all its
- 6 phases, including any matters relating to the production,
- 7 importation, distribution, purchase, or sale of whisky, gin,
- 8 rum, brandy, or other distilled spirits, or wine or malt
- 9 beverages. The Commissioner shall report to the Senate
- 10 at the earliest practicable date the results of such study and
- 11 investigation, together with his recommendations for neces-
- 12 sary legislation."

79TH CONGRESS
2D Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 15, following the paragraph ending in line 12, insert the following:

1 Section 2806 (d) of the Internal Revenue Code, as
2 amended, is amended to read as follows:

3 “(d) All distilled spirits found in any cask or package,
4 and any bottled distilled spirits found in any case, without
5 having upon such cask or package or case each mark and
6 stamp required therefor by law or regulations, shall be
7 forfeited to the United States.”

8 Section 4 of the Federal Alcohol Administration Act

1 (U. S. C., title 27, sec. 204) is amended in the following
2 respects:

3 (1) Subsection (d) is amended to read as follows:

4 “(d) A basic permit shall be conditioned upon (1)
5 compliance with the requirements of section 5 of this Act
6 (relating to unfair competition and unlawful practices) and
7 of section 6 of this Act (relating to bulk sales and bottling),
8 with the twenty-first amendment and laws relating to the
9 enforcement thereof, and with all other Federal laws relating
10 directly or indirectly to distilled spirits, wine, and malt
11 beverages, including taxes with respect thereto, and (2)
12 conduct of the operations under such permit in conformity
13 with the laws of the State in which such operations are
14 conducted.”

15 (2) Clause 1 of subsection (e) is amended by striking
16 out “, provided that for a first violation of the conditions
17 thereof the permit shall be subject to suspension only”.

18 (3) Subsection (g) is amended to read as follows:

19 “(g) A basic permit may be issued for one year and
20 shall expire on the 31st day of December next succeeding
21 the issuance thereof unless suspended, revoked, or annulled
22 as provided herein, or voluntarily surrendered: *Provided*,
23 That the Secretary may without formal application extend
24 any permit granted under this part after August 31 in any
25 year to December 31 of the succeeding year. (1) If leased,

1 sold or otherwise voluntarily transferred, the permit shall
2 be automatically terminated thereupon, and (2) if trans-
3 ferred by operation of law or if actual or legal control
4 of the permittee is acquired, directly or indirectly, whether
5 by stock ownership or in any other manner, by any person,
6 then such permit shall be automatically terminated at the
7 expiration of thirty days thereafter: *Provided*, That if within
8 such thirty-day period application for a new basic permit
9 is made by the transferee or permittee, respectively, then
10 the outstanding basic permit shall continue in effect until
11 such application is finally acted on by the Secretary of the
12 Treasury.”

13 (4) The second sentence of subsection (h) is amended
14 to read as follows: “Such appeal shall be taken by filing,
15 in the district court of the United States within any dis-
16 trict wherein such person resides or has his principal place
17 of business, or in the United States District Court for the
18 District of Columbia, within sixty days after the entry of
19 such order, a written petition praying that the order of the
20 Secretary be modified or set aside in whole or in part.”;
21 and the next to the last sentence thereof is repealed.

22 All basic permits issued pursuant to the provi-
23 sions of the Federal Alcohol Administration Act, as amended
24 (Public, Numbered 401, approved August 29, 1935; U. S.
25 C., 1940 edition, title 27, ch. 8, sec. 201 and the following)

1 prior to the approval of this Act shall expire on the 31st
2 day of December 1945: *Provided*, That if this Act is ap-
3 proved after August 31, 1945, the Secretary may, without
4 formal application, extend any such permit to December 31,
5 1946: *Provided further*, That before the expiration date of
6 any such permit it may be terminated, or, upon notice and
7 hearing, suspended, revoked, or annulled as provided in the
8 said Federal Alcohol Administration Act.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz:

1 On page 17, following the paragraph ending in line
2 2, insert the following: "The principles set forth in sec-
3 tion 29.23 (m)-16 of Treasury Regulations 111 shall be
4 similarly applicable with respect to development costs in
5 the case of mines."

79TH CONGRESS
2d Session

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCarran to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

79TH CONGRESS
2D SESSION

H. R. 5452

IN THE SENATE OF THE UNITED STATES

JUNE 18 (legislative day, MARCH 5), 1946

Ordered to lie on the table and to be printed

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 17, following the paragraph ending in line 2, insert the following:

1 Section 7 of the District of Columbia Alcoholic Bev-
2 erage Control Act is amended by inserting after the third
3 paragraph thereof the following new paragraph:

4 “No license under this Act of any class shall be trans-
5 ferred to, or issued with respect to, premises which on the
6 date this paragraph takes effect are not licensed, excluding
7 hotels, if such premises are within six hundred feet of the
8 nearest boundary of premises on which is located a school,

1 church, playground, public library, eleemosynary institution
2 providing housing for the indigent, soldiers' home, Army
3 post, navy yard, or marine barracks. For the purposes of
4 this section, the term 'hotel' means an establishment operat-
5 ing under a hotel license and having in excess of fifty rooms
6 used predominately for transient occupancy; that is, for
7 living quarters for nonresidents upon a short-time basis."

8 Section 9 of such Act is amended by inserting at the
9 end thereof the following new subsection:

10 "(g) No holder of a retailer's license, class A, or re-
11 tailer's license, class B, or wholesaler's license shall, with
12 respect to alcoholic beverages covered by such license—

13 "(1) advertise, by any means or through any
14 medium, the price for which such alcoholic beverages are
15 for sale;

16 "(2) distribute, sell, or give away any price list or
17 information with respect to the price of such alcoholic
18 beverages;

19 "(3) display in his place of business any price list
20 or sign with respect to the price of such alcoholic bever-
21 ages if any price on such list or sign is visible from the
22 street; or

23 "(4) display, or leave in his place of business, in a

- 1 place where customers may take it away, any price list
- 2 or information with respect to the price of such alco-
- 3 holic beverages.”

79TH CONGRESS
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- 1 Hereafter every Saturday shall be a holiday and not a
- 2 business day for the Bureau of Engraving and Printing;
- 3 and any act which would otherwise be required, authorized,
- 4 or permitted to be performed on Saturday in the Bureau,
- 5 if Saturday were not a holiday, shall or may be so performed
- 6 on the next succeeding business day, and no liability or loss
- 7 of rights of any kind shall result from such delay.

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Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 34, following the paragraph ending in line 9, insert the following:

1 The Federal Employees Pay Act of 1945, approved
2 June 30, 1945, is hereby amended as follows:

3 (1) By striking out the word "forty" where it appears
4 in section 201, in subsection (b) of section 202, and in
5 subsections (a) and (d) of section 604 and inserting in
6 lieu thereof the word "thirty";

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2d Session

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AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 34, following the paragraph ending in line 22, insert the following:

- 1 Notwithstanding any other provision of law, the Post-
- 2 master General, acting through the postmaster of the Senate
- 3 Post Office, is authorized and directed to cash checks for
- 4 Senators and secretaries to Senators, in accordance with such
- 5 rules and regulations as he may deem advisable, and for
- 6 that purpose he is authorized to use any funds available for
- 7 disbursement by him.

H. R. 5452

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

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AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 41, following the paragraph ending in line 14, insert the following:

1 The following provisions of this Act shall apply to the
2 carrying of mail on star routes within the United States:

3 (1) There shall be placed in charge of the Star Route
4 Service in the Post Office Department a Superintendent of
5 Star Route Service.

6 (2) For the purpose of fixing rates for the transpor-
7 tation of mail on star routes the Postmaster General shall
8 divide such routes into classes A and B. Class A shall con-

1 sist of those routes on which the mail service is performed
2 by aircraft or by common carrier by motor vehicles. Class
3 B shall consist of those routes not included in class A.

4 (3) (a) Upon the expiration of an existing contract on
5 a class A route, or upon the creation of a new class A route,
6 the Postmaster General may, in his discretion, advertise for
7 proposals for the transportation of mail on such route, or
8 may negotiate therefor without advertising, for a contract
9 period not exceeding four years.

10 (b) Upon the expiration of an existing contract on a
11 class B route, or within ninety days after the enactment
12 of his Act, the contractor on the route, if otherwise quali-
13 fied, shall be afforded an opportunity to accept an appoint-
14 ment as carrier on such route under the provisions of this
15 Act by giving notice in writing to the Postmaster General
16 of such desire, the appointment to be without term, except
17 as hereinafter provided.

18 (c) To be eligible as a class B carrier under this Act
19 a person must be a citizen of the United States; a resident
20 of the county or counties through which the star route
21 passes, or a resident of a county adjoining such county
22 or counties; of good moral character; between the ages of
23 twenty-one and seventy years; in good health, except that
24 a present contractor may be considered eligible if capable
25 of performing the duties required on the route which he has

1 been serving. Vacancies shall be filled by the Postmaster
2 General upon certification by the Civil Service Commission
3 from registers of eligibles resulting from examination: *Pro-*
4 *vided*, That only persons between the ages of twenty-one
5 and fifty-five years shall be eligible to take such examination.

6 (4) At the end of the month in which a class B carrier
7 serving under the provisions of this Act attains his seventieth
8 birthday he shall be relieved of the duties of his appoint-
9 ment and the vacancy thus created shall be filled as provided
10 herein, except that a present contractor capable of perform-
11 ing the duties of his route shall be permitted to carry the
12 route for a period after reaching his seventieth birthday not
13 exceeding the expiration date of his present contract.

14 (5) Class B carriers serving under the provisions of
15 this Act shall be paid for the scheduled time of the route,
16 including scheduled lay-over time at outside places to
17 be fairly established by the Postmaster General, at the
18 rate of 90 cents per hour; and in addition thereto shall be
19 paid for equipment maintenance for horse, horse and vehicle,
20 dogs and sleds, boat, passenger motorcar, or lesser type of
21 equipment, a sum equal to 6 cents per mile or major frac-
22 tion of a mile traveled in performing star-route service; for
23 one-half-ton truck, station wagon, or closed body delivery
24 truck, 7 cents; for one-ton truck but less than two-ton,
25 8 cents; and for two- and two-and-one-half-ton truck, 9

1 cents; and for large equipment, 10 cents: *Provided*, That
2 the Postmaster General shall determine the size of equipment
3 necessary to transport the mail over the route with certainty,
4 celerity, security, and economy. Payment of equipment
5 maintenance shall be at the same period and in the same
6 manner as payments for regular compensation.

7 (6) Each class B carrier shall designate a substitute
8 carrier acceptable to the postmaster at the head of the
9 route to act in the absence of the carrier. The substitute
10 shall receive for his services the same amount as is paid
11 to the carrier for such services: *Provided*, That if the sub-
12 stitute carrier uses the equipment of the carrier to perform
13 the services of the route the equipment maintenance allow-
14 ance for the use of such equipment may be paid to the
15 carrier.

16 (7) Every class B carrier and substitute carrier shall
17 take the official oath prescribed in section 30, Postal Laws
18 and Regulations, and shall execute a bond in the sum
19 of \$1,000 with acceptable sureties, the bond to be for-
20 warder to the Postmaster General; the amount of bond
21 required on each class A route to be determined by the
22 Postmaster General.

23 (8) Wherever the Postmaster General is unable to
24 procure mail service on a class B route under the provisions
25 of this Act he may enter into a temporary contract for the

1 performance of mail service on such route at a rate in excess
2 of the fixed rate until such time as he is able to procure
3 such service at the rate scheduled herein.

4 (9) Carriers on all routes shall furnish equipment suf-
5 ficient for transportation of the mails and the proper handling
6 of all postal business on the route with certainty, celerity,
7 security, and economy.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

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AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, viz: On page 44, following the paragraph ending in line 5, insert a new paragraph as follows:

- 1 It is the sense of the Senate that September 8, 1946,
- 2 being the twenty-sixth anniversary of the dispatch by the
- 3 Post Office Department of the first air-mail letter from coast
- 4 to coast, the Postmaster General should issue a special air-
- 5 mail postage stamp, of 8-cent denomination, of such design
- 6 and for such period as he may determine, in commemoration
- 7 of this anniversary.

AMENDMENT

Intended to be proposed by Mr. McCARRAN to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

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DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued June 24, 1946
For actions of June 21, 1946
79th-2nd, No. 121

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HIGHLIGHTS: President approved agricultural appropriation bill (June 22). Senate committee reported bill to continue Sugar Act for 3 years. Both Houses received conference report on selective-service continuation; proposed change regarding farm-labor deferment eliminated. Senate passed Hobbs anti-racketeering bill. Senate passed bill to continue priorities powers for one year. Senate confirmed nomination of Steelman to OWMR. House agreed to resolution giving Appropriations Committee (including Tarver subcommittee) \$30,000 to continue investigations of executive agencies. Rep. Clason blamed USDA and OPA for grain shortage and poultry losses.

BILL APPROVED BY THE PRESIDENT

1. AGRICULTURAL APPROPRIATION ACT, 1947, H. R. 5605. Approved June 22, 1946 (public law number not yet available). See page 5 for comparative statement of 1946 appropriations and 1947 Budget estimates with the 1947 Act.
SENATE
2. SUGAR-ACT CONTINUATION. The Finance Committee reported H. R. 6689, to continue the Act for three years (June 20, S. Rept. 1555). The House version would continue the Act for one year.
3. SELECTIVE SERVICE. Both Houses received the conference report on H. R. 6064, to continue the Selective Training and Service Act (pp. 7392-3, 7478-80). The conference report provides for continuation of the Act until Mar. 31, 1947, authorizes induction of non-fathers between 19 and 45, makes no changes in the law regarding deferment of farm labor, and does not include the proposed change regarding deferment of students and others in scientific and engineering work.
4. NAVAL APPROPRIATION BILL. Passed with amendments this bill, H. R. 6496 (pp. 7394-11). There was discussion of the provision regarding strikes against the Government (pp. 7408-11). Conferees were appointed (p. 7411).
5. TREASURY-POST OFFICE APPROPRIATION BILL. Passed with amendments this bill, H. R. 5452 (pp. 7411-15). Conferees were appointed (p. 7415).
6. STATE, JUSTICE, COMMERCE, JUDICIARY APPROPRIATION BILL. Passed with amendments this bill, H. R. 6056 (pp. 7415-33). Conferees were appointed (p. 7433).

7. ANTI-RACKETEERING. Passed without amendment H. R. 32, the Hobbs bill to prohibit racketeering in connection with transportation, etc., of commodities (pp. 7433-4). This bill will now be sent to the President.
8. WAR POWERS. Passed with amendment H. R. 5716, to continue various provisions of the Second War Powers Act, including continuation of the priorities power until June 30, 1947 (pp. 7437-8). Agreed to an amendment by Sen. Moore, Okla., to state that nothing in this act ~~chaany~~ other act, except the Price Control and Stabilization Acts, shall be construed to authorize price control (p. 7438).
9. NOMINATION. Confirmed the nomination of John R. Steelman to be Director of the Office of War Mobilization and Reconversion (p. 7439).
10. PERSONNEL. The Civil Service Committee reported the following bills without amendment (p. 7391):
 - S. 2083, to amend Sec. 6 of the Classification Act of 1923 so as to provide that in any case in which a public or private organization is made a part of a Government department or agency, the initial compensation of any person employed by such organization who, without break in service, becomes an officer or employee of the Government agency, shall be established in accordance with rules 2, 3, 4, and 5 of this section (S. Rept. 1566).
 - H. R. 3492, to protect certifying and disbursing officers from having their retirement fund attached unless the department head says the payment involved fraud (H. Rept. 1567).
 - H. R. 4651, to provide for full annuity under the Retirement Act for a disabled employee who later recovers but cannot find a job (S. Rept. 1568).

The Education and Labor Committee reported with amendments S. 1178, providing equal pay for equal work for women (S. Rept. 1676) (p. 7391).
11. FORESTRY. The Public Lands and Surveys Committee reported without amendment H. R. 5840, to authorize exchange of certain forest land in Colo. (S. Rept. 1572) (p. 7391).
12. CONTRACTS. The Education and Labor Committee reported with amendment S. 1561, to amend the act regarding compensation, injury, etc., of employers of contractors with the Government outside the U. S., so as to make the 100% earning provision effective as of Jan. 1, 1942 (S. Rept. 1574) (p. 7391).
13. RECESSED until Mon., June 24 (p. 7439).

HOUSE

14. RESEARCH; PUBLIC LANDS. Passed as reported H.R. 5876, to authorize renewal of a lease to a railroad of a tract of land in the USDA Range-Livestock Experiment Station, Mont., for a right-of-way to said tract, and for removal of gravel and ballast material (pp. 7454-5).
15. APPROPRIATIONS; INVESTIGATIONS. Agreed to a resolution giving the Appropriations Committee or any of its subcommittees (including the Tarver subcommittee) \$30,000 additional to continue investigations of executive departments and agencies (p. 7441). This resolution was reported earlier by the Accounts Committee (p. 7483).

power of the Government to draft people into the Government service, or to keep them in it, in violation of their will. I think there is serious question as to whether the Government can subject a man to punishment in the penitentiary if he quits, with several other people, working for the Government, in spite of the fact that someone might happen to call that a strike.

Yet, Mr. President, we are passing a bill which contains a provision that any person who engages in a strike against the Government of the United States, and that means quitting work, I assume—subjects himself to conviction for commission of a felony, and subjects himself to punishment by a fine of not more than a thousand dollars or imprisonment for not more than 1 year.

I am not saying anything about any part of the amendment except that which relates to what I have been discussing; I am not referring to anyone who proposes to overthrow the Government of the United States by force. Of course, it is levying war against the Government when one proposes to overthrow it by force. It is almost treason when one proposes to destroy the Government of the United States by force, and when one commits an overt act in furtherance of such a purpose, that seems to me very much like treason against the Government of the United States. But I cannot put that in the same category with the act of one who by himself, or in concert with others, quits working for the Government.

It is all the more important that we should be clear in what we say, because, as the Senator from Washington has pointed out, the Government owns power plants. What about the TVA? That is owned substantially by the Government of the United States. What about all the other works the Government of the United States carries on?

As a practical matter, if employees of the Government dare to protest against the wages and working conditions in any enterprise owned by the Government, as well as the service of the Government itself, if people who are unfriendly to labor administer the law, they will hold the penitentiary over the employees' heads. That is just one more encroachment upon the civil immunities of citizens, it seems to me, upon what I thought to be the civil constitutional rights of the citizenry of this country, because I thought we had not yet gotten ready to abandon the right of the individual in the United States of America, even against the Government of the United States.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I gladly yield.

Mr. KNOWLAND. I may have misunderstood my distinguished colleague from Florida, but at least on this side of the aisle I understood him to say that advocating the overthrow of the Government of the United States was almost treason. I would say it was treason.

Mr. PEPPER. Of course. It may be that there is some technical definition of the word "treason," but I meant substantially to say the same thing, that anybody who proposes to overthrow the

Government of the United States by force, and commits an overt act in furtherance of that design, commits treason, it seems to me, against the Government of the United States, and of course no one desires to condone that in any possible way.

Mr. President, I merely wanted to say that the proposed action is in a direction that is dangerous to the civil rights of the American people. Due to the tendency toward reaction which is sweeping the Congress and the Nation, I have seen a disposition to yield to an encroachment upon the civil immunities and the constitutional rights of the citizenry of this country that strikes at the very heart of our Republic. I at least wanted to raise my voice in warning against it.

The PRESIDING OFFICER. The question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The bill (H. R. 6496) was passed.

Mr. OVERTON. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. OVERTON, Mr. THOMAS of Oklahoma, Mr. GREEN, Mr. TYDINGS, Mr. WALSH, Mr. BRIDGES, Mr. BROOKS, and Mr. WHITE conferees on the part of the Senate.

Mr. McMAHON. Mr. President, on a voice vote just a few minutes ago the Senate agreed to the spending of \$4,100,000,000 for the Navy during the coming year. I do not suppose there is a Senator on the floor who can conscientiously say that he knows within a billion dollars whether this appropriation is right or not. I have read the hearings, I have read the committee report—which does not amount to anything—I have read the bill, and, frankly, I have not the slightest idea whether \$4,100,000,000—four thousand one hundred million dollars—is the correct amount the Congress should appropriate for the Navy during the coming year.

If ever there was an illustration of the dire necessity for the enactment of the so-called La Follette bill, which would bring into operation experts who could advise the Committee on Appropriations, I think this is a perfect example.

As I looked through the hearings I read what the admirals said. What else would we expect to hear from admirals except demands for all the money they think Congress will appropriate? I don't blame them—that is their business, but it certainly is our business to double check them, and we have not the facilities for doing it.

I say to Senators that they have sat here today and, by a voice vote, put through a \$4,100,000,000 appropriation, and they really do not know very much about it. They do not know whether the battleships which are carried in the ap-

propriation bill are worth anything or not, and they have not had any advice except from the admirals. That observation applies from the first page of the bill to the last.

I hope that when a similar appropriation bill is before us next year, we will know more about it. I think the taxpayers are entitled to an informed judgment when billions of dollars are involved for defense or anything else.

TREASURY AND POST OFFICE APPROPRIATIONS, 1947

Mr. McKELLAR. Mr. President, I move that the Senate proceed to the consideration of House bill 5452, the Treasury and Post Office appropriation bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 5452), making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the committee amendments be first considered.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the Clerk will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Title I—Treasury Department—Office of the Secretary", on page 2, line 5, after the name "District of Columbia", to strike out "\$422,000" and insert "\$442,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Tax Legislative Counsel", on page 3, line 12, after the word "Columbia", to strike out "\$87,500" and insert "\$90,500."

The amendment was agreed to.

The next amendment was, under the subhead "Office of General Counsel", on page 3, line 18, after the word "Columbia", to strike out "\$175,000" and insert "\$179,100."

The amendment was agreed to.

The next amendment was, under the subhead "Division of Personnel", on page 3, line 21, after the word "Columbia", to strike out "\$190,000" and insert "\$206,900."

The amendment was agreed to.

The next amendment was, under the heading "Fiscal Service—Bureau of Accounts", on page 6, line 1, after the word "travel", to strike out "\$7,100,000, of which not to exceed \$1,000,000 shall be available immediately" and insert "\$6,275,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Public Debt", on page 9, line 7, after the word "charged", to strike out "\$64,700,000" and insert "\$65,600,000."

The amendment was agreed to.

The next amendment was, under the subhead "Bureau of the Mint", on page 25, after line 7, to strike out:

For a period of 2 years following the enactment of this act, the Secretary of the Treasury is authorized to sell or lease for manufacturing uses, including manufacturing uses incident to reconversion and the building up of employment in industry, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, any silver held or owned by the United States at not less than 71.1 cents per fine troy ounce: *Provided*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

The amendment was agreed to.

The next amendment was, on page 25, after line 21, to insert:

(a) Subsection (b) of section 4 of the act entitled "An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised," approved July 6, 1939, is amended to read as follows:

"(b) (1) Until June 30, 1948, the Director of such mint with the consent of the owner shall deduct and retain of such silver so received 30 percent as seigniorage for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is, 70 percent, shall be coined into standard silver dollars and the same or any equal number of other standard silver dollars shall be delivered to the owner or depositor of such silver. The 30 percent of such silver so deducted shall be retained as bullion by the Treasury or coined into standard silver dollars and held or disposed of in the same manner as other bullion or silver dollars held in or belonging to the Treasury.

"(2) On and after July 1, 1948, there shall be delivered therefor in standard silver dollars or any other coin or coinage of the United States, the full monetary value of the silver so delivered, less such deductions for brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined, not to exceed the actual cost thereof: *Provided*, That such mint is satisfied the silver so delivered has been mined subsequently to June 30, 1948, from natural deposits in the United States or any place subject to the jurisdiction thereof."

(b) The following statutes and portions of statutes are hereby repealed:

(1) Section 1805 of the Internal Revenue Code, as amended;

(2) Sections 6, 7, and 8, and the second proviso in section 3, of the Silver Purchase Act of 1934, approved June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).

(c) Until June 30, 1948, the Secretary of the Treasury is authorized to sell for domestic manufacturing uses, to any person, partnership, association, or corporation, or any department of the Government, any nonmonetized silver held or owned by the United States, at a price of not less than 90.3 cents per fine troy ounce, and thereafter at a price of not less than the legal monetary value (of silver) per fine troy ounce: *Provided*, That until June 30, 1948, no such sale shall be made unless the purchaser has certified in writing, and the Secretary of the Treasury is satisfied, that such silver is to be used in domestic industry or the arts and within a period of 6 months after any such sale: *Provided further*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secre-

tary of the Treasury shall be maintained by the Treasury: *And provided further*, That on the consummation of such sale of silver by the Treasury to any purchaser, the purchaser shall immediately take possession of the silver so sold and by him purchased and remove the same from the Treasury, in accordance with such rules and regulations as the Secretary of the Treasury may prescribe.

(d) Hereafter, notwithstanding the provisions of any other law, maximum prices shall not be established or maintained upon—

(1) standard commercial bars or other forms of silver bullion, whether foreign, domestic, or Treasury;

(2) semifabricated silver articles;

(3) silver scrap; or

(4) the processing of silver or silver scrap.

The amendment was agreed to.

Mr. MURDOCK. Mr. President, I ask unanimous consent that following the adoption of the amendments on page 28 of the bill the following may be printed in the RECORD: A letter dated November 27, 1945, from the Secretary of the Treasury to the chairman of the Committee on Banking and Currency; a letter dated December 13, 1945, from me to the Secretary of the Treasury in reply to the previous letter; another letter from the Secretary of the Treasury dated December 19, 1945, addressed to me; a letter from me to the Secretary of the Treasury dated February 11, 1946, and the statement made by me on May 9, 1946, before the subcommittee considering this bill.

There being no objection, the matters referred to were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,

Washington, D. C., November 27, 1945.

Hon. ROBERT F. WAGNER,

Chairman, Committee on Banking and Currency, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: Further reference is made to your letter of October 26, 1945, requesting a report on S. 1508, a bill "to authorize the use by industry of silver held or owned by the United States."

Enactment of the bill will enable the Treasury to continue selling silver to American industry for manufacturing uses. It is unlikely that domestic production of silver and imports of silver will be sufficient to satisfy the demands of industry for a considerable period of time. A shortage of silver for industrial use would interfere with reconversion and the maintenance of high levels of production and, accordingly, authority for the Treasury to sell silver to industry would greatly assist in the adjustment from a wartime to a peacetime economy.

With respect to leases, the bill would permit the extension, if necessary, of two leases which are now outstanding and which will terminate six months after the cessation of hostilities in the present war, as proclaimed by the President. The War Department holds nearly 475,000,000 ounces under lease and the Reconstruction Finance Corporation holds slightly more than 400,000,000 ounces. The silver is used in bus bars located in aluminum and magnesium plants throughout the country and in the War Department's atomic bomb plant in Tennessee.

For the reasons stated above, the Treasury Department recommends that S. 1508 be enacted.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Sincerely yours,

FRED M. VINSON,
Secretary of the Treasury.

DECEMBER 13, 1945.

Hon. FRED M. VINSON,

Secretary of the Treasury,

Washington, D. C.

DEAR MR. SECRETARY: I have before me yours of November 27, written to Hon. ROBERT F. WAGNER, chairman of the Banking and Currency Committee of the Senate. Your letter indicates that you are favorable to the passage of S. 1508, introduced by Senator GREEN of Rhode Island. This proposed legislation, in brief, provides for sale of Treasury silver to industry at not less than 71.1 cents per ounce. I am surprised at your attitude on this bill as expressed in your letter, and I feel that I should advise you as to my reasons.

Under existing law our metallic monetary reserves are to be carried by the Treasury in gold and silver at the ratio of three-fourths gold and one-fourth silver. Your Treasury statement of December 6, 1945, indicates that there is a great deficit in our silver reserves as compared to our gold reserves. I realize that such a deficit is the result of numerous contributing factors and I make no complaint whatever about them, but merely point out that a great quantity of silver could be added to our silver reserves and still not meet the requirements of the law above mentioned.

Under our so-called silver statutes, the Secretary of the Treasury was and is required to monetize not less than the cost value of silver purchased; but under the law, the Secretary of the Treasury could have monetized all silver in the Treasury at its monetary value of \$1.29 per ounce.

I don't think that I exaggerate when I say that Secretary Morgenthau, your distinguished predecessor, was very pronounced in his opposition to the silver statutes which were placed on the statute books of the Nation during the Roosevelt administration. As a result of his opposition to these laws, up until just previous to his leaving the Treasury, he adamantly refused to monetize silver, except only the minimum required under the law. As I recall conferences with him and the Special Silver Committee of the Senate, he took the position that to monetize silver was inflationary and unsound, and because of this, he maintained his attitude on silver right up to the time of his leaving the Treasury, except that just previous to this time, and during the consideration by the Senate Banking and Currency Committee of the Bretton Woods Agreement—after a conference with me—he did agree to monetize 300,000,000 ounces of what he said was free silver in the Treasury.

I haven't talked with you about monetary matters since you took over the duties and responsibilities of Secretary of the Treasury, but having in mind your attitude on this subject, so ably and clearly expressed by you while we were both Members of the House of Representatives, I have the hope that your attitude is not, and will not be the same as your predecessor. Whether the silver laws now on the statute books were correct or incorrect, wise or foolish, they are nevertheless the laws of the land on this subject. They have not been repealed, therefore they are valid, and entitled to the same solemn respect from the executive department of Government as any other laws in the books.

The only money mentioned in the Constitution is gold and silver. Even the worst enemies of silver as money cannot, in my opinion, take the position that the issuance of a silver certificate is the least bit more inflationary than the creation of bookkeeping dollars which are created, and have been created for years, by the delivery by the United States Treasury of Government securities to the commercial banks of the country, and the establishment of demand deposits to the credit of the Government without the requirement of any reserve whatsoever. There is one very important distinction between the issuance of a silver certificate against silver in the Treasury and

the exchange of Government bonds bearing interest for demand deposits in our banks. This item of distinction is the item of interest, so important to the banker.

When our Government is running our printing presses overtime in the printing of bonds bearing interest which are to be exchanged for demand deposits in the banks, it is inconceivable to me that the best interests of the taxpayer can be conserved by selling silver money from the Treasury, which belongs to the taxpayer, at 71.1 cents an ounce when its monetary value is \$1.29 per ounce.

According to the Treasury statement of December 6, 1945, there are in the Treasury 449,360,347.02 ounces of silver against which silver certificates have not been issued. This silver money of the people and the taxpayers remains dormant while the people and the taxpayers pay interest on billions of dollars in bonds which have been traded for demand deposit dollars. The quantity of silver above mentioned doesn't loom large against billions of dollars owed on bonds, but if monetized for its full monetary value, at least it could be substituted for an identical amount of interest-bearing bonds, and by such substitution would save the taxpayer and the people millions of dollars in interest annually.

As a Secretary of the Treasury who, I am sure, is most interested in saving the taxpayer every dollar possible, I can't understand why every unused ounce of silver should not be monetized immediately.

During the war, silver was needed by industry for war purposes and of course it was only natural to use silver in every way possible for the winning of the war, so the law which was passed by Congress, on the recommendation of the Secretary of the Treasury, that the Treasury be allowed to sell some of its silver to industry at 71.1 cents per ounce could be justified on that basis. But now that the war is over, under what philosophy should the silver fabricating industry of this country, or any other segment of our population, or group, be allowed to profit by a sale by the Government of silver money below its monetary value? Of course, the fabricator of silver who is asking for a special privilege may answer by saying, "The Treasury didn't pay any more for the silver than we are asking it to sell silver for." But the fact that the Treasury makes a profit out of the miners of silver is certainly not a legitimate reason why this profit should be passed on by the Government to another segment of the population. The profit provided for in the law was for the benefit of all the people, and certainly not intended for some small special group.

There are those in this country, including many big bankers, who would prefer the Government to dispose of all its silver at whatever it could get for it, because silver certificates are the only form of money now in use in the United States that do not carry the tribute of interest. But the great masses of the people, if they understood the situation, I am sure would vociferously demand that the silver money in the Treasury be fully utilized, thereby saving millions of dollars in interest by substituting it for an equal amount of interest-bearing Government securities, regardless of the attitude of the silver fabricators and those who don't like silver as money.

The wisdom of the silver laws is not in question at this time; they constitute a part of our statutory law. For the present this question is behind us.

I respectfully request in conclusion, Mr. Secretary, that the Treasury's silver be used and utilized under the law for the whole population and not to satisfy a very small segment of our population who are asking that they be granted a special privilege.

Respectfully and cordially yours,

ABE MURDOCK.

DECEMBER 19, 1945.

HON. ABE MURDOCK,
Senate Office Building,
Washington, D. C.

MY DEAR ABE: This will acknowledge receipt of your letter of December 13, 1945, concerning S. 1508, a bill to extend the Green Act for 2 years.

As I told you when I appeared before the Committee on Banking and Currency, I have not yet had an opportunity to prepare a reply but I shall do so shortly.

Very truly yours,

FRED M. VINSON,
Secretary of the Treasury.

FEBRUARY 11, 1946.

HON. FRED M. VINSON,
Secretary of the Treasury,
Washington, D. C.

DEAR MR. SECRETARY: Ever since you appeared before the Senate Banking and Currency Committee in December, the silver jewelers and other fabricators of silver have continued to high pressure Members of Congress for the passage of the Green silver bill. To allow any group or segment of the population to purchase our metallic money from the Treasury at less than its monetary value would establish an incongruous, unjustifiable, unreasonable, and unbusinesslike policy.

There was some little excuse for the temporary allowance of the purchase of silver from the Treasury during the war, but it would seem that the silver jewelers and fabricators, having been granted this convenience as a temporary war measure, are very reluctant to give it up now that the war is over. In other words, the camel got his nose under the tent, and probably won't be satisfied until his whole carcass is permanently enthroned in the Treasury.

Would you, as Secretary of the Treasury, consider at all the sale of any part of our gold reserve at less than its monetary value? We are sure your answer would be emphatically and definitely "no." It is, therefore, impossible for us to reconcile selling our silver reserve at anything less than its monetary value. There is a school of thought in this country that considers metal reserves as antiquated or anachronistic, but so far as the Congress is concerned, our statutes definitely provide for gold and silver metallic reserves.

We call your attention to the fact that on February 6, according to the Treasury statement, there was in the Treasury 330,009,914.4 ounces of idle silver against which silver certificates could be issued on the basis of the monetary value of silver of \$1.29 per ounce. This totals \$425,712,789.57. The annual interest on this amount, at 2 percent per annum, is \$8,514,255.79. This interest item, compared to our vast national debt, is insignificant, but nevertheless, in the mind of our average taxpayer it is a very sizable amount.

This amount of interest could be saved to the taxpayers of the Nation annually if our idle silver was monetized and used. The unjustifiable policy of Secretary Morgenthau, during the numerous years he was Secretary of the Treasury, in refusing to monetize idle silver, while at the same time he was borrowing by the billion, cost the taxpayers of this country hundreds of millions of dollars in unnecessary interest payments. It is our hope that the same charge cannot be brought against the present Secretary of the Treasury.

All the pressure now being exerted on Members of Congress—and we assume the same pressure is being exerted on the Treasury—for passage of the Green silver bill could be terminated immediately if this idle silver was monetized. What reason is there for not doing this? What excuse can be made for holding idle money in the Treasury instead of using it to retire interest-bearing Government securities?

The Senate will soon be considering the proposed British loan, which, without doubt, will be funded through exchange of interest-bearing securities for demand deposits in the Federal Reserve banks. A lot of Senators will, at that time, be asking the question why our idle silver has not been put to use. We respectfully urge you, Mr. Secretary, to forthwith monetize every ounce of idle silver in the Treasury. Relieve yourself of criticism that can't help but come from the policy of holding idle money in the Treasury instead of using it to retire interest-bearing securities, and relieve yourself and Members of Congress from the unjustifiable pressure now being exerted by a small group of jewelers and fabricators in their efforts to continue an unconscionable policy of selling the people's money at less than its statutory monetary value.

Sincerely and respectfully yours.

ABE MURDOCK.

STATEMENT OF HON. ABE MURDOCK, A UNITED STATES SENATOR FROM THE STATE OF UTAH, APRIL 9, 1946

ONLY SILVER IN TREASURY IS MONEY

Senator MURDOCK. It seems to me that the witness certainly answered the question that was propounded to him, and it seems to me that we cannot lose sight of the fact that the only silver in the Treasury is money.

Under the Silver Purchase Act the minute or second that silver goes into the Treasury, it becomes a part of the monetary stocks of this country and ceases to be a commodity in the ordinary sense of the word.

Senator HAYDEN. Therefore you argue that it is improper to sell it for less than the monetary value?

Senator MURDOCK. To sell money for less than its fixed monetary value is not only improper but absurd and unconscionable. Here is my position, and I think it was well stated by the witness: When this country is being operated, Mr. Chairman, on borrowed money, as it is today and has been for several years, when the Secretary of the Treasury is advocating and spending thousands of dollars in his advertisements for the people to buy bonds, that is, loan their money to the Treasury at a fixed interest rate, how can we as Members of Congress, lose sight of the fact that there is idle money in the Treasury listed today, or on April 4, at 267,000,000 ounces, plus, of monetary silver?

Now, the witness points out—

Senator McCARRAN. That is money.

Senator MURDOCK. That is money and made so by statute enacted by Congress and approved by the President. Because they have treated silver monetary stocks as a commodity instead of money, as provided by law and our Secretaries of the Treasury since the enactment of silver legislation in 1934, in my opinion, have failed to live up to and conform to the law.

QUESTION AS TO WHAT IS FAIR AND REASONABLE PRICE FOR SILVER

I want to repeat, and I am not going to talk very much; I have not done much talking in this committee; I have done a lot of listening, but I still think the crux of this problem is the price which would be a fair price which the fabricators could pay, and which the Treasury could accept without injury to the silver producers in this country.

PROVISION FIXES LOWEST PRICE AT WHICH SILVER COULD BE SOLD BY TREASURY

Senator GREEN. I think a great deal could be said in favor of that point of view, but this law does not require it to stay at 71 cents; it simply makes it permissible for the Treasury to sell, but not less than that, because that was fixed, because that was the amount it paid.

In other words, we will say the Treasury can, if it deems it desirable, in the interests

of the national economy, sell some of this unused silver which it has at not less than it costs. As a matter of fact, on a great part of it, it would make a profit even at that price.

That is the point which we ought to emphasize in a discussion of this.

Senator REED. Senator, you would not advocate that the Treasury should sell silver at a price lower than the cost at this time which would have the effect of holding down the price of silver in a free market?

Senator GREEN. I think all those facts ought to be taken into consideration by the Treasury.

Senator REED. What I am trying to do is get this consideration of the committee down to a realistic basis.

If we can reach the solution on this price question, I take it there is no particular objection to that.

QUESTION AS TO RAISING PRICE OF SILVER TO \$1 AN OUNCE

Senator HAYDEN. I would like to ask a question. You heard the suggestion made by American Smelting & Refining Co., through Mr. Brownell, that the price might be raised to sell at \$1 an ounce. It was suggested at \$1 in the letter written to Senator McCARRAN.

How does that strike you?

Mr. SNYDER. That boils down to the matter of whether you get the values that are needed in these western ores to preserve that industry. Whether you get it in silver, gold, lead, or zinc.

The reason I suggested that the price be allowed to go to the monetary price was because the over-all cost of consumers—getting back on this inflation idea—would be less in increasing the price of silver to \$1.29 than it would be in increasing the prices of lead and zinc, because the prices of lead and zinc are pyramided more in fabrication to the ultimate consumer, according to OPA. I do not know.

Senator HAYDEN. I can understand that point.

Mr. SNYDER. It looked to me like that was the easiest and best way of doing it.

Of course, I would like to see any industry protected and preserved if it is possible, because we need them all.

Now, the witness has pointed out here, and I think in a very intelligible way, that when the Government is borrowing money every day, as we are, how can the representatives of the people, of the taxpayers, take the position, Mr. Chairman, that the money of the people should be allowed to remain idle or sold at 1 cent, or a fraction of a cent less than its monetary value?

That is the point, I think, that we, as Senators, must bear in mind. The Treasury of the United States is not a commodity market; it is the depository of the money of the people of the United States.

Now, if that money, Mr. Chairman, can go right out into the market places and purchase dollar for dollar, what your borrowed money can, then what right have we as representatives of the people to sell that money at less than its monetary value?

Senator WILLIS. In other words, that 250,000,000 we have there, we cannot sell at less.

Senator MURDOCK. That money belongs to the people of Indiana, of Kansas, of Nevada, of Rhode Island, and every other State, and I challenge any Senator here to go back to his own constituents and tell them that, "I, as your Senator, supported legislation to sell your silver money there in the United States Treasury for 71 cents an ounce that is worth \$1.29 an ounce, and at the same time I am fully aware that the Secretary of the Treasury is borrowing money and paying interest on it to carry on the Government, and that you people as taxpayers are paying for it."

POINT AT ISSUE IS CAMOUFLAGED

The people would rise up, in my opinion, Mr. Chairman, and condemn such action in

no uncertain terms. But the trouble is, the point that is really at issue here is camouflaged to the extent that the people out in our States are being led to believe that the only question involved is the relief of the jewelry and silver fabricating industry without disclosing to them the unfair windfall that they would get at the expense of all the taxpayers.

My answer to Handy & Harman, my answer to the other silver fabricators and brokers of this country, is this: There is a place where you can get silver, just like the mining industry of the country produces it. That is out there in the hills and deserts of the West.

If you need silver so badly, why do we not see a few of you out there, with your burros, prospecting for the ore that is out there, and available to you if you have the fortitude and the gambling spirit that it takes to go out and produce metal. It is out there if you want to go after it instead of sitting in your fine offices hatching up schemes to make you the beneficiaries of the profit the Government has made out of the metal-mining industry.

PROFIT TAKEN FROM MINERS TO BE GIVEN TO SILVER FABRICATORS

I want to make one further observation. After the metal-mining people of the country have brought silver into the Treasury, and have allowed the people of the United States to make the profit on it that is taken from the miner under the law, then I say it is unconscionable, Mr. Chairman, for a small segment of the population to wit, the silver-fabricating industry and silver brokers to come in and claim the profit that has been taken away from the miners, the raw-material producers, that bring it in.

FAIR PRICE FOR SILVER

Senator REED. Mr. Snyder, I take it you agree with Mr. Brownell, of the American Smelting & Refining Co., that you desire to retain the fabricators as a customer.

Mr. SNYDER. Certainly.

Senator REED. But the question in your mind is what would be, or could be, a fair price at which they can obtain silver?

Mr. SNYDER. As stated previously, I think that a fair price, and one that would not in any way injure them is the monetary price at which they can buy all the silver they want.

SILVER FABRICATORS HAVE ABSORBED INCREASED PRICE IN SILVER

Senator GREEN. May I bring another fact to Senator Reed's attention because I know he is very sincere in his attitude and I appreciate it. That is the silver industry—those who are using silver, the silver users—are now paying 37 cents more per ounce, without any mark-ups. They pay that much more for silver and do not get any mark-ups.

Senator REED. Senator, they are not allowed any profit.

Senator GREEN. No; they have taken it all, although the price of silver has increased.

Now, if they had silver at a dollar, that would mean a 200-percent increase in the metal price to all the silver users, and that is absolutely out of the question.

Senator REED. I tried to cover that point.

Senator GREEN. I know, but I thought you might like to know what the result would be.

Senator REED. What I am struggling for is a solution. I have, perhaps, a little prejudice, and can look at this thing as any man on this committee, which I am trying to do.

I have full sympathy with my friend to the west of me, and I have a great desire to see the silver industry have their raw materials to enable them to employ their people and sell their products.

Senator GREEN. One more thing in this discussion, which has ceased to be a hearing—

Senator REED. We may make more progress.

Senator GREEN. That may be true.

PURCHASE OF SILVER UNDER THE LAW BY TREASURY DEPARTMENT

Neither the Secretary of the Treasury nor the Congress itself has regarded the purchase as it will be monetized.

Senator MURDOCK. All you have to do is read the law, Senator. I think probably it should be inserted.

Senator GREEN. All you have to do is see the way the Treasury is acting and the way the Congress is acting.

Senator MURDOCK. The Secretary of the Treasury has, in my opinion, been indifferent to the law.

Senator GREEN. As far as this law is concerned, that criticism is not pointed at the law; it is pointed at the Secretary of the Treasury.

Senator MURDOCK. Yes.

Senator GREEN. It is the same.

Senator HAYDEN. Are there any further questions of the witnesses?

Senator McCARRAN. There may be some on reconvening.

The PRESIDING OFFICER. The clerk will state the next amendment of the committee.

The next amendment was, under the subhead "Procurement Division," on page 33, line 7, after "correspondence models)," to strike out "\$70" and insert "\$77"; in the same line, after the word "inches", to strike out "\$75" and insert "\$82.50"; in line 8, after the word "inches" where it occurs the first time, to strike out "\$77.50" and insert "\$85.25"; in line 9, after the word "inches", to strike out "\$82.50" and insert "\$90.75"; in the same line, after the word "inches", to strike out "\$87.50" and insert "\$96.25"; in line 10, after the word "inches" where it occurs the first time, to strike out "\$94" and insert "\$103.40"; in the same line, after the word "inches" where it occurs the second time, strike out "\$95" and insert "\$104.50"; in line 11, after the word "inches", to strike out "\$97.50" and insert "\$107.25"; in line 12, after the word "inches", to strike out "\$103.50" and insert "\$113.85"; in the same line, after the word "inches", to strike out "\$104" and insert "\$114.40"; in line 13, after the word "inches" where it first occurs, to strike out "\$105" and insert "\$115.50"; in the same line, after the word "inches" where it occurs the second time, strike out "\$107.50" and insert "\$118.25"; in line 17, after the word "inches", to strike out "\$80" and insert "\$88"; in line 18, after the word "inches" where it occurs the first time, to strike out "\$85" and insert "\$93.50"; in the same line, after the word "inches" where it occurs the second time, strike out "\$90" and insert "\$99"; and in line 19, after the word "inches", to strike out "\$95" and insert "\$104.50."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Post Office Department—Post Office Department, Washington, D. C.—Office of the Postmaster General," on page 34, line 22, after the word "Columbia", strike out "\$319,900" and insert "\$329,900."

The amendment was agreed to.

The next amendment was, under the subhead "Salaries in bureaus and offices," on page 35, line 6, after "Office of the First Assistant Postmaster General", to strike out "\$940,000" and insert "\$964,600."

The amendment was agreed to.

The next amendment was, on page 35, line 8, after "Office of the Second Assistant Postmaster General", to strike out "\$750,000" and insert "\$774,000."

The amendment was agreed to.

The next amendment was, on page 35, line 10, after "Office of Third Assistant Postmaster General", to strike out "\$1,148,000" and insert "\$1,175,500."

The amendment was agreed to.

The next amendment was, on page 35, line 12, after "Office of the Fourth Assistant Postmaster General", to strike out "\$630,000" and insert "\$659,800."

The amendment was agreed to.

The next amendment was, on page 35, line 14, after "Office of the Solicitor for the Post Office Department", to strike out "\$147,500" and insert "\$170,000."

The amendment was agreed to.

The next amendment was, on page 35, line 15, after "Office of the chief inspector", to strike out "\$368,000" and insert "\$393,000."

The amendment was agreed to.

The next amendment was, on page 35, line 17, after "Bureau of Accounts", to strike out "\$500,000" and insert "\$544,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of Chief Inspector," on page 38, line 13, after the word "Service", to strike out "\$1,073,500" and insert "\$1,100,000."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the First Assistant Postmaster General," on page 39, line 18, after the word "offices", to strike out "\$11,440,000" and insert "\$11,725,500."

The amendment was agreed to.

The next amendment was, under the subhead "Office of the Fourth Assistant Postmaster General," on page 45, line 1, after the word "expenses", to strike out "\$6,000,000" and insert "\$6,384,000."

The amendment was agreed to.

The next amendment was, on page 46, line 3, after the word "offices", to strike out "\$12,525,000" and insert "\$12,825,00."

The amendment was agreed to.

The next amendment was, on page 47, line 5, after "Motor Vehicle Service", to strike out "\$33,650,000" and insert "\$33,381,000."

The amendment was agreed to.

The next amendment was, under the subhead "Public Buildings, maintenance and operation," on page 48, line 3, after the word "service", to strike out "\$37,000,000" and insert "\$37,310,000."

The amendment was agreed to.

The next amendment was, on page 48, line 8, after the word "prevention", to strike out "\$6,650,000" and insert "\$6,797,500."

The amendment was agreed to.

The next amendment was, on page 49, after line 11, to insert:

During the fiscal year 1947, the Postmaster General shall make quarterly reports to the Senate and House Committees on Appropriations, showing for each quarter the amount paid from each appropriation for overtime, the number of employees receiving such overtime, and the number of hours of overtime worked by such employees, together with a statement as to the necessity for such overtime work.

The amendment was agreed to.

The next amendment was, under the heading "Title III—General provisions," on page 50, after line 6, to strike out:

SEC. 301. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment, the salary or wages for which are paid from any appropriation contained in this act, shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

And in lieu thereof to insert the following:

SEC. 301. No part of any appropriation contained in this act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than 1 year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

The amendment was agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 5452) was read the third time and passed.

Mr. McKELLAR. I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. TYDINGS, Mr. McCARRAN, Mr. HAYDEN, Mr. BAILEY, Mr. WHITE, Mr. GURNEY, and Mr. REED, conferees on the part of the Senate.

Mr. McKELLAR. I wish to say that I thank the Senate very much for its approval of this bill and to say that in the Treasury Department the increase made by the Senate was \$119,000, and in the Post Office Department, which brings in practically as much money as it costs to operate it, the amount was increased by the Senate just a little over \$1,390,000.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND THE JUDICIARY APPROPRIATIONS, 1947

Mr. McCARRAN. Mr. President, I move that the Senate proceed to consider House bill 6056, making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 6056) making appropriations for the Departments of State, Justice, Commerce, and the Judiciary, for the fiscal year ending June 30, 1947, and for other purposes, which had been reported from the Committee on Appropriations, with amendments.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hart	O'Mahoney
Andrews	Hatch	Overton
Austin	Hawkes	Pepper
Ball	Hayden	Radcliffe
Barkley	Hill	Reed
Bushfield	Hoev	Robertson
Butler	Huffman	Russell
Byrd	Johnson, Colo.	Saltonstall
Capper	Johnston, S. C.	Stewart
Carville	Knowland	Swift
Chavez	La Follette	Taft
Cordon	Lucas	Taylor
Donnell	McCarran	Thomas, Okla.
Downey	McClellan	Tobey
Eastland	McKellar	Tunnell
Ellender	McMahon	Tvdings
Ferguson	Magnuson	Wagner
Fulbright	Mead	Walsh
George	Millikin	White
Gerry	Moore	Wiley
Gossett	Murdock	Willis
Green	Murray	
Gurney	O'Daniel	

The PRESIDING OFFICER. Sixty-seven Senators having answered to their names, a quorum is present.

THE INHERENT RIGHT OF THE CITIZEN TO WORK

Mr. WILEY. Mr. President, a few moments ago the Senate passed two large appropriation bills. In the discussion relating to one of those bills the right to strike against the Government was discussed. That is a subject on which I have positive convictions. Definitely there is no such right. Franklin D. Roosevelt, said the same thing in substance. Another great President, Calvin

Coolidge, when he was Governor of Massachusetts, said the same thing.

What causes me to rise at this time is a telegram which has just been handed to me, and which I wish to read into the RECORD. It shows a situation which we have neglected very seriously.

The telegram comes from W. F. McKee, secretary and treasurer of Wilson Bros., Sheboygan, Wis. I ask Senators to pay attention to this, because in my humble opinion it presents the beginning of a new and serious situation relating to strikes.

Last week I was in conference with British delegates. One of the leaders of that delegation with whom I was speaking said, "We do not approve the attitude of a certain group of your labor leaders. In England we know that there is only one way to get out of the dilemma we are in, and that is to work and produce."

The telegram reads as follows:

CHICAGO, ILL., June 20, 1946.

Hon. ALEXANDER WILEY,

Washington, D. C.:

As a citizen and resident of the State of Wisconsin, and as secretary and treasurer of Wilson Bros., national manufacturers of men's wear, I am appealing for your advice and any assistance to prevent the closing down of our 10 factories in 6 States and loss of work to our 1,800 employees through a technicality in the Wagner Labor Act, which is being imposed upon us by the CIO, Mr. Sidney Hillman's Amalgamated Clothing Workers Union. We have never had strikes or labor problems and have been unionized in our main plant at South Bend, Ind., for many years and at Troy and Cohoes, N. Y. Several of our small branch plants do not belong to the union. LaGrange, Ind., plant employing mostly Amish and Menonites who state it is against their religion to belong to any association of any kind, have refused to join the union. Likewise, a newer plant at Sheboygan, Wis., 6 months in operation, have refused to attend any labor meetings, although we have done everything possible under the Wagner Act to indicate our cooperation with the union. The union head in Chicago, Mr. Joe Kaminsky, last week states that we would either force the employees of our nonunion shops to join their union or else. Starting this week, our subcontractors and suppliers have been told by the union in the East and the Middle West to stop shipping us and stop manufacturing for us. Two Chicago contractors were told yesterday and today to cease work for us. Our plant manager was also told today that all contractors would be forced to stop shipments to us. We are continuing under contracts to the United States Government heavy- and light-weight underwear for the armed forces, and, undoubtedly, these contracts may also be affected if this policy spreads further to our other plants. The union subordinates of Mr. Sidney Hillman, mainly Mr. Joe Kaminsky, of Chicago, are adamant and threatening in their demands to force us to break the Wagner Act, which we cannot allow ourselves to do. I am sure Mr. Sidney Hillman would not approve of such action if he were aware of the circumstances. As a citizen, I am appealing to you to intervene to prevent the first labor disturbance in our 82 years in business.

W. F. MCKEE,

Secretary and Treasurer, Wilson Bros.,
Sheboygan, Wis.

Mr. President, the situation portrayed in the telegram presents a challenge to Government. We have just heard a lukewarm argument on the point that it is not right to strike against the Government. But here are American citizens

who do not want to join unions. Here is a concern with 12 factories, which is threatened unless, contrary to the Wagner Act, it compels certain Amish and Mennonite people, and a group of people in my own State, to join a union. If they do not join the union, all 12 factories will be shut down. Here we have an instance of union officials telling contractors that they cannot work for this concern. They would compel people to join unions.

If the President of the United States had not vetoed the Case bill we would have the answer; but the Case bill was vetoed, and so we have the beginning of another reign of terror, because there seems to be within the Government a supergovernment sufficiently strong to take from the individual the inherent right, not to strike, but to work. I ask the consideration of this body for the situation which I have described.

Immediately upon receipt of the telegram which I have read, my secretary, at my instance, sought to get in contact with certain labor officials of the Government. The result was that the following telegram was sent to Mr. McKee:

Telegram received. Howard C. Colvin, Assistant Director of Conciliation, promised have their commissioner of conciliation in Chicago get in touch with you also with the union to see what can be done to help.

That is using the language of Mr. Colvin.

Chapman, of National Labor Relations Board, suggests you contact their regional director, George Bott, Midland Building, 176 West Adams Street, Chicago. Telephone Central 9660. Advise if can be of further assistance.

ALEXANDER WILEY,
United States Senator.

A little while ago we discussed for 3 weeks or more the rights of the public. The Government needs the material involved in this case. The armed forces may be compelled to do without it. Why? Because labor racketeers dominate the situation. Are we going to sit quietly by? Some of us will not. The situation is so serious that 1,800 men may be thrown out of work. The public will lose the benefit of the income resulting from this industry, and the armed forces will not get the material for which they have contracted, all because a labor racketeer, Kaminsky, in Chicago, has the power to take away from men the right to work. If there is any inherent right, it is the right of every man to earn his own bread.

In one plant in Indiana certain Amish people did not want to join the union because it was contrary to their religion to do so. But Kaminsky, in Chicago, said, "You join. Live under my dictates. Take my orders, or you do not work"—to say nothing of the effect upon the investment of the stockholders, including widows and eleemosynary institutions which own the bonds of these organizations.

Mr. President, the situation calls for action. I trust that before Congress takes a recess it will do what I have suggested on other occasions. I hope it will have "guts" enough to write into a bill the spirit and the letter of American fair play, which will protect the rights of

management and labor, but, above all, will protect the rights of the public and see that they are not submerged and neglected.

AUDIT REPORT OF RECONSTRUCTION FINANCE CORPORATION

Mr. FERGUSON. Mr. President, before the Committee on the Judiciary this morning there came to my attention, in connection with the reorganization bills, a letter from the Comptroller General of the United States, transmitting a letter dated June 17, 1946, from the Corporation's Audit Division of the General Accounting Office to the Board of Directors of the Reconstruction Finance Corporation, covering an audit made of the affairs of the Reconstruction Finance Corporation and its subsidiaries and affiliates for the year ended June 30, 1945, under section 5 of the act of February 24, 1945. The letter and accompanying papers have been filed with the Senate and have been referred to the Committee on Expenditures in the Executive Departments. I desire to propound a parliamentary inquiry; but prior to doing so, I wish to state that upon consideration of the intelligence disclosed in the communication to which I have referred, it was decided that it was of such seriousness and moment that it should be transmitted to the Senate as an interim report, as well as taken up administratively with the Board of Directors of the Reconstruction Finance Corporation. The audit is proceeding with the utmost diligence and dispatch; but the conditions stated in the communication to which I have just referred make it impossible for us to say when the audit will be completed and when our ultimate report will be rendered. The letter is signed by the Comptroller General, Mr. Lindsay C. Warren.

The following statements appear in the communication which has been transmitted to the Senate:

Indeed, it has been found that a satisfactory audit cannot be made and that no certification may be given of the financial statements of the companies at the close of June 1945. It is even doubtful that a satisfactory audit and certification of the statements of June 30, 1946, will be possible.

The reason for that is stated to be as follows:

Specific examples of the failure of the accounting function in RFC are presented in the paragraphs immediately following. These paragraphs point out that:

1. The company does not control its \$7,000,000,000 investment in properties;
2. The company does not control its \$800,000,000 investment in inventories of Defense Supplies Corporation, Metals Reserve Company, and United States Commercial Company;
3. The company does not control its cash receipts;
4. The company does not control rentals earned on its properties;
5. The company does not control certain important liabilities;
6. The company does not control recoveries due it on plant extensions built for utility companies;
7. The company has not controlled its surplus-property-disposal activities; and
8. The company has had no control over the activities of its affiliate, United States Commercial Company.

79TH CONGRESS
2^D SESSION

H. R. 5452

IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 1946

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 TITLE I—TREASURY DEPARTMENT

4 That the following sums are appropriated, out of any money
5 in the Treasury not otherwise appropriated, for the Treasury
6 Department for the fiscal year ending June 30, 1947,
7 namely:

8 OFFICE OF THE SECRETARY

9 Salaries: Secretary of the Treasury, Under Secretary of
10 the Treasury, Fiscal Assistant Secretary of the Treasury,

1 two Assistant Secretaries of the Treasury, and other per-
 2 sonal services in the District of Columbia, (1)\$422,000
 3 \$442,000: *Provided*, That no part of the money appropriated
 4 shall be used to pay the salaries of more than eighteen
 5 messengers assigned to duty in the Office of the Secretary.

6 Penalty mail costs: For deposit in the general fund of
 7 the Treasury for cost of penalty mail of the Treasury De-
 8 partment as required by section 2 of the Act of June 28,
 9 1944 (Public Law 364), \$4,400,000.

10 FOREIGN FUNDS CONTROL

11 Foreign funds control: For all expenses necessary in
 12 carrying out the functions of the Secretary of the Treasury
 13 under sections 3 and 5 (b) of the Act of October 6,
 14 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C.
 15 (Suppl. 1941) 5 (b)), and any proclamations, orders,
 16 regulations, or instructions issued thereunder; and in exer-
 17 cising fiscal, financial, banking, property-control, and related
 18 functions, authorized by law, administered by the Treas-
 19 ury Department in foreign countries and arising out of
 20 military operations of the United States; including personal
 21 services; purchase of lawbooks, books of reference, periodi-
 22 cals, and newspapers; printing and binding; maintenance, re-
 23 pair, and operation of a motor-propelled passenger-carrying
 24 vehicle; and reimbursement of any other appropriation or
 25 other funds of the United States or any agency, instrumen-

1 tality, Territory, or possession thereof, including the Philip-
 2 pine Islands, and reimbursement of any Federal Reserve
 3 bank for printing and other expenditures; \$1,000,000.

4 DIVISION OF TAX RESEARCH

5 Salaries: For personal services in the District of Colum-
 6 bia, \$175,000.

7 OFFICE OF TAX LEGISLATIVE COUNSEL

8 Salaries: For personal services in the District of Colum-
 9 bia, ~~(2)\$87,500~~ \$90,500.

10 DIVISION OF RESEARCH AND STATISTICS

11 Salaries: For personal services in the District of Colum-
 12 bia, \$165,000.

13 OFFICE OF GENERAL COUNSEL

14 Salaries: For the General Counsel and other personal
 15 services in the District of Columbia, ~~(3)\$175,000~~ \$179,100.

16 DIVISION OF PERSONNEL

17 Salaries: For the Chief of the Division, and other per-
 18 sonal services in the District of Columbia, ~~(4)\$190,000~~
 19 \$206,900.

20 OFFICE OF CHIEF CLERK

21 Salaries: For the Chief Clerk and other personal services
 22 in the District of Columbia, \$350,000.

23 MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

24 Miscellaneous expenses: For all necessary miscellaneous
 25 expenses of the Office of the Secretary and the bureaus

1 and offices of the Treasury Department, not otherwise pro-
2 vided for; including operating expenses of the Treasury,
3 Treasury Annex, Auditors', and Liberty Loan Buildings;
4 books of reference, lawbooks, and periodicals; newspapers;
5 not to exceed \$15,000 for travel expenses; maintenance,
6 operation, and repair of three passenger automobiles (one
7 for the Secretary of the Treasury and two for general use
8 of the Department), all to be used for official purposes only;
9 not to exceed \$500 for streetcar fares; and not to exceed
10 \$25,000 for stationery; \$230,000.

11 Printing and binding: For printing and binding for
12 the Treasury Department and its several bureaus and offices,
13 and field services thereof, except such bureaus and offices
14 as may be otherwise specifically provided for, including
15 materials for the use of the bookbinder, located in the Treas-
16 ury Department, but not including work done at the
17 New York Customhouse bindery authorized by the Joint
18 Committee on Printing in accordance with the Act of March
19 1, 1919 (44 U. S. C. 111), \$28,000.

20 CUSTODY OF TREASURY BUILDINGS

21 Salaries of operating force: For the Superintendent of
22 Treasury Buildings and for other personal services in the
23 District of Columbia, including the operating force of the
24 Treasury Building, the Treasury Annex, the Liberty Loan

1 Building, the Auditors' Building, and the west and south
2 annexes thereof, \$555,000.

3 FISCAL SERVICE

4 BUREAU OF ACCOUNTS

5 Salaries and expenses: For all necessary expenses in
6 the District of Columbia, except printing and binding of the
7 Bureau of Accounts, including contract stenographic report-
8 ing services, stationery (not to exceed \$10,000), supplies
9 and equipment; purchase and exchange of lawbooks, books
10 of reference, periodicals, and newspapers; travel expenses,
11 \$850,000.

12 Salaries and expenses, deposit of withheld taxes: For
13 all necessary expenses incident to the deposit of withheld
14 taxes in Government depositories pursuant to the Current
15 Tax Payment Act of 1943, including personal services in
16 the District of Columbia; not to exceed \$15,000 for print-
17 ing and binding; and reimbursement to Federal Reserve
18 banks for printing and other necessary expenses, \$475,000.

19 Printing and binding: For printing and binding for
20 the Bureau of Accounts, \$35,000.

21 Division of Disbursement, salaries and expenses: For
22 all necessary expenses, except printing and binding, of the
23 Division of Disbursement, including personal services in
24 the District of Columbia, stationery and travel; ~~(5)~~\$7,100,-

1 000, of which not to exceed \$1,000,000 shall be available im-
2 mediately \$6,275,000: *Provided*, That with the approval of
3 the Bureau of the Budget there may be transferred to this ap-
4 propriation and to the appropriation "Printing and binding,
5 Division of Disbursement" from funds respectively available
6 for such purposes for the Federal Housing Administration,
7 Federal Public Housing Authority, Federal Prison Industries,
8 Railroad Retirement Board, United States Maritime Com-
9 mission, the Farm Security Administration, and the Pro-
10 duction and Marketing Administration (including the Federal
11 Surplus Commodities Corporation, the Federal Crop Insur-
12 ance Corporation, and the Commodity Credit Corporation),
13 such sums as may be necessary to cover the expense incurred
14 in performing the function of disbursement therefor.

15 Printing and binding: For printing and binding,
16 Division of Disbursement, including the cost of transporta-
17 tion to field offices of printed and bound material and the cost
18 of necessary packing boxes and packing materials, \$184,000.

19 Contingent expenses, public moneys: For contingent
20 expenses under the requirements of section 3653 of the Re-
21 vised Statutes (31 U. S. C. 545), for the collection, safekeep-
22 ing, transfer, and disbursement of the public money, trans-
23 portation of notes, bonds, and other securities of the United
24 States, transportation of gold coin and gold certificates trans-
25 ferred to Federal Reserve banks and branches, United States

1 mints and assay offices, and the Treasury, after March 9,
2 1933, actual expenses of examiners detailed to examine the
3 books, accounts, and money on hand at the several deposi-
4 tories, including national banks acting as depositories under
5 the requirements of section 3649, Revised Statutes (31
6 U. S. C. 548), also including examinations of cash accounts
7 at mints, \$415,000.

8 Recoinage of silver coins: To enable the Secretary of
9 the Treasury to continue the recoinage of worn and uncur-
10 rent subsidiary silver coins of the United States now in the
11 Treasury or hereafter received, and to reimburse the Treas-
12 urer of the United States for the difference between the
13 nominal or face value of such coins and the amount the
14 same will produce in new coins, \$140,000.

15 Relief of the indigent, Alaska: For the payment to the
16 United States district judges in Alaska (not to exceed 10
17 per centum of the receipts from licenses collected outside
18 of incorporated towns in Alaska), to be expended for the
19 relief of persons in Alaska who are indigent and incapaci-
20 tated through nonage, old age, sickness. or accident,
21 \$19,000.

22 Refund of moneys erroneously received and covered
23 (indefinite appropriation) : To enable the Secretary of the
24 Treasury to meet any expenditures of the character formerly
25 chargeable to the appropriation accounts abolished under

1 section 18 of the Permanent Appropriation Repeal Act of
 2 1934, approved June 26, 1934, and any other collections
 3 erroneously received and covered which are not properly
 4 chargeable to any other appropriation, there is hereby made
 5 available such amount as may be necessary.

6 Payment of certified claims (indefinite appropriation) :
 7 To enable the Secretary of the Treasury to pay claims (not
 8 to exceed \$500 in any case) which may be certified during
 9 the fiscal year 1947 by the Comptroller General of the
 10 United States to be lawfully due, within the limits of, and
 11 chargeable against the balances of the respective appro-
 12 priations heretofore made which, after remaining unexpended.
 13 have been carried to the surplus fund pursuant to section 5
 14 of the Act of June 20, 1874 (31 U. S. C. 713), there is
 15 hereby made available such sum as may be necessary.

16 Payment of unclaimed moneys (indefinite appropria-
 17 tion) : To enable the Secretary of the Treasury to meet any
 18 expenditures of the character formerly chargeable to the
 19 appropriation accounts abolished under section 17 of the
 20 Permanent Appropriation Repeal Act of 1934, approved
 21 June 26, 1934, payable from the funds held by the United
 22 States in the trust fund receipt account "Unclaimed moneys
 23 of individuals whose whereabouts are unknown", there is
 24 hereby made available such amount as may be necessary.

1 names of all persons and corporations to whom such pay-
2 ments are made, together with the amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses to enforce sections
5 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-
6 3238 of the Internal Revenue Code; the Narcotic Drugs
7 Import and Export Act, as amended (21 U. S. C. 171-
8 184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c and
9 21 U. S. C. 197-198) and the Opium Poppy Control Act
10 of 1942 (21 U. S. C. Supp. IV, 188-188n), includ-
11 ing the employment of executive officers, attorneys, agents,
12 inspectors, chemists, supervisors, clerks, messengers, and
13 other necessary employees in the field and in the Bureau
14 of Narcotics in the District of Columbia, to be appointed
15 as authorized by law; the securing of information and evi-
16 dence of violations of the afore-mentioned laws and regula-
17 tions promulgated thereunder; the costs of chemical analyses
18 made by others than employees of the United States; the
19 purchase of such supplies, equipment, mechanical devices,
20 books, stationery (not to exceed \$6,000), and such other
21 expenditures as may be necessary in the several field offices;
22 cost incurred by officers and employees of the Bureau of
23 Narcotics in the seizure, forfeiture, storage, and disposition
24 of property under the Act of August 9, 1939 (49 U. S. C.

1 781-788) and the internal-revenue laws; hire, maintenance,
2 repair, and operation of motor-propelled or horse-drawn
3 passenger-carrying vehicles when necessary for official use
4 in field work; purchase of arms and ammunition; in all,
5 \$1,300,000, of which amount not to exceed \$193,319
6 may be expended for personal services in the Dis-
7 trict of Columbia: *Provided*, That not exceeding \$10,000
8 may be expended for the collection and dissemination of in-
9 formation and appeal for law observance and law enforce-
10 ment, including cost of printing, purchase of newspapers, and
11 other necessary expenses in connection therewith: *Provided*
12 *further*, That not exceeding \$10,000 may be expended for
13 services or information looking toward the apprehension of
14 narcotic law violators who are fugitives from justice.

15 Printing and binding: For printing and binding for the
16 Bureau of Narcotics, \$4,000.

17 BUREAU OF ENGRAVING AND PRINTING

18 For the work of engraving and printing, exclusive of
19 repay work, during the fiscal year 1947, United States
20 currency and internal-revenue stamps, including opium
21 orders and special-tax stamps required under the Act of
22 December 17, 1914 (26 U. S. C. 1040, 1383), checks,
23 drafts, and miscellaneous work, as follows:

24 Salaries and expenses: For the Director, two Assistant
25 Directors, and other personal services in the District of

1 Columbia, including wages of rotary press plate printers
2 at per diem rates and all other plate printers at piece rates
3 to be fixed by the Secretary of the Treasury, not to exceed
4 the rates usually paid for such work; and all other necessary
5 expenses, except printing and binding, including engravers'
6 and printers' materials and other materials, including dis-
7 tinctive and nondistinctive paper, except distinctive paper
8 for United States currency and Federal Reserve bank cur-
9 rency; purchase of card and continuous form checks; equip-
10 ment of, repairs to, and maintenance of buildings and grounds
11 and minor alterations to buildings; periodicals, examples of
12 engraving and printing, including foreign securities and
13 stamps, and books of reference, not to exceed \$500; travel-
14 ing expenses not to exceed \$15,000; articles approved
15 by the Secretary of the Treasury as being necessary
16 for the protection of the person of employees, not to
17 exceed \$2,200; stationery, not to exceed \$5,000; transfer
18 to the Bureau of Standards for scientific investigations in
19 connection with the work of the Bureau of Engraving and
20 Printing, not to exceed \$15,000; and maintenance and
21 operation of two motor-propelled passenger-carrying vehicles;
22 \$11,750,000, to be expended under the direction of the
23 Secretary of the Treasury.

24 Printing and binding: For printing and binding for the
25 Bureau of Engraving and Printing, \$5,500.

1 During the fiscal year 1947 all proceeds derived
2 from work performed by the Bureau of Engraving and Print-
3 ing, by direction of the Secretary of the Treasury, not covered
4 and embraced in the appropriations for such Bureau for such
5 fiscal year, instead of being covered into the Treasury as
6 miscellaneous receipts, as provided by the Act of August 4,
7 1886 (31 U. S. C. 176), shall be credited when received
8 to the appropriations for such Bureau for the fiscal year
9 1947.

10

SECRET SERVICE DIVISION

11 Salaries: For the Chief of the Division and other per-
12 sonal services in the District of Columbia, \$100,000.

13 Suppressing counterfeiting and other crimes: For sal-
14 aries and other expenses in detecting, arresting, and deliver-
15 ing into the custody of the United States marshal or other
16 officer having jurisdiction, dealers and pretended dealers in
17 counterfeit money, persons engaged in counterfeiting, forg-
18 ing, and altering United States notes, bonds, national bank
19 notes, Federal Reserve notes, Federal Reserve bank notes,
20 and other obligations and securities of the United States
21 and of foreign governments (including endorsements thereon
22 and assignments thereof), as well as the coins of the United
23 States and of foreign governments, and persons committing
24 other crimes against the laws of the United States relating
25 to the Treasury Department and the several branches of

1 the public service under its control; purchase (not to exceed
2 sixty), hire, maintenance, repair, and operation of motor-
3 propelled passenger-carrying vehicles when necessary; pur-
4 chase of arms and ammunition; stationery (not to exceed
5 \$7,500) ; traveling expenses; and for no other purpose what-
6 soever, except in the performance of other duties specifically
7 authorized by law, and in the protection of the person of the
8 President and the members of his immediate family and of
9 the person chosen to be President of the United States;
10 \$1,800,000: *Provided*, That of the amount herein appro-
11 priated not to exceed \$15,000 may be expended for the
12 purpose of securing information concerning violations of the
13 laws relating to the Treasury Department, and for services
14 or information looking toward the apprehension of criminals,
15 and all vouchers claiming reimbursement from such amount
16 of \$15,000 shall have the approval of the Chief of the Secret
17 Service before payment.

18 White House Police: For one captain, one inspector,
19 four lieutenants, six sergeants, and one hundred and two
20 privates, at rates of pay provided by law, \$325,000, not-
21 withstanding the provisions of the Act of April 22, 1940
22 (3 U. S. C. 62) .

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President in
2 his discretion may determine, \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For salaries and expenses of the guard force for Treasury
5 Department buildings in the District of Columbia, includ-
6 ing the Bureau of Engraving and Printing, and elsewhere,
7 including purchase, repair, and cleaning of uniforms, pur-
8 chase (not to exceed three), maintenance, repair, and opera-
9 tion of motor-propelled passenger-carrying vehicles, and the
10 purchase of arms and ammunition and miscellaneous equip-
11 ment, \$825,000: *Provided*, That not to exceed \$140,554
12 of the appropriation "Salaries and expenses, Bureau of
13 Engraving and Printing", may be transferred to this appro-
14 priation to cover service rendered such Bureau in connection
15 with the protection of currency, bonds, stamps, and other
16 papers of value the cost of producing which is not covered
17 and embraced in the direct appropriations for such Bureau:
18 *Provided further*, That the Secretary of the Treasury may
19 detail two agents of the Secret Service to supervise such
20 force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces:
25 To enable the Secretary of the Treasury to reimburse the

1 District of Columbia on a monthly basis for benefit payments
2 made from the revenues of the District of Columbia to mem-
3 bers of the White House Police force and such members of
4 the United States Secret Service Division as are entitled
5 thereto under the Act of October 14, 1940 (54 Stat. 1118),
6 to the extent that such benefit payments are in excess of
7 the salary deductions of such members credited to said
8 revenues of the District of Columbia during the fiscal year
9 1947, pursuant to section 12 of the Act of September 1,
10 1916 (39 Stat. 718), as amended, \$45,000.

11 BUREAU OF THE MINT

12 Salaries and expenses, Office of the Director: For per-
13 sonal services in the District of Columbia and for assay
14 laboratory chemicals, fuel, materials, balances, weights,
15 stationery (not to exceed \$700), books, periodicals, speci-
16 mens of coins, ores, and travel and other expenses incident
17 to the examination of mints, visiting mints for the purpose
18 of superintending the annual settlement, and for the collec-
19 tion of statistics relative to the annual production and con-
20 sumption of the precious metals in the United States,
21 \$170,000.

22 Transportation of bullion and coin: For transportation
23 of bullion and coin, by registered mail or otherwise, between
24 mints, assay offices, and bullion depositories, \$85,000, in-

1 cluding compensation of temporary employees and other
2 necessary expenses.

3 Salaries and expenses; mints and assay offices: For com-
4 pensation of officers and employees of the mints at Philadel-
5 phia, Pennsylvania; San Francisco, California; and Denver,
6 Colorado; the assay offices at New York, New York; and
7 Seattle, Washington, and the bullion depositories at Fort
8 Knox, Kentucky; and West Point, New York, including
9 necessary personal services for carrying out the provisions
10 of the Gold Reserve Act of 1934 and the Silver Purchase
11 Act of 1934, and any Executive orders, proclamations, and
12 regulations issued thereunder, and for incidental and con-
13 tingent expenses, including traveling expenses, stationery
14 (not to exceed \$3,900), new machinery and repairs,
15 arms and ammunition, purchase and maintenance of uni-
16 forms and accessories for guards, protective devices, and
17 their maintenance, training of employees in use of firearms
18 and protective devices, maintenance, repair, and operation
19 of three motor-propelled passenger-carrying vehicles, cases
20 and enameling for medals manufactured, net wastage in
21 melting and refining and in coining departments, loss on sale
22 of sweeps arising from the treatment of bullion and the
23 manufacture of coins, not to exceed \$500 for the expenses
24 of the annual assay commission, and not exceeding \$1,000

1 names of all persons and corporations to whom such pay-
2 ments are made, together with the amount paid to each.

3 BUREAU OF NARCOTICS

4 Salaries and expenses: For expenses to enforce sections
5 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-
6 3238 of the Internal Revenue Code; the Narcotic Drugs
7 Import and Export Act, as amended (21 U. S. C. 171-
8 184) ; the Act of June 14, 1930 (5 U. S. C. 282-282c and
9 21 U. S. C. 197-198) and the Opium Poppy Control Act
10 of 1942 (21 U. S. C. Supp. IV, 188-188n), includ-
11 ing the employment of executive officers, attorneys, agents,
12 inspectors, chemists, supervisors, clerks, messengers, and
13 other necessary employees in the field and in the Bureau
14 of Narcotics in the District of Columbia, to be appointed
15 as authorized by law; the securing of information and evi-
16 dence of violations of the afore-mentioned laws and regula-
17 tions promulgated thereunder; the costs of chemical analyses
18 made by others than employees of the United States; the
19 purchase of such supplies, equipment, mechanical devices,
20 books, stationery (not to exceed \$6,000), and such other
21 expenditures as may be necessary in the several field offices;
22 cost incurred by officers and employees of the Bureau of
23 Narcotics in the seizure, forfeiture, storage, and disposition
24 of property under the Act of August 9, 1939 (49 U. S. C.

1 781-788) and the internal-revenue laws; hire, maintenance,
 2 repair, and operation of motor-propelled or horse-drawn
 3 passenger-carrying vehicles when necessary for official use
 4 in field work; purchase of arms and ammunition; in all,
 5 \$1,300,000, of which amount not to exceed \$193,319
 6 may be expended for personal services in the Dis-
 7 trict of Columbia: *Provided*, That not exceeding \$10,000
 8 may be expended for the collection and dissemination of in-
 9 formation and appeal for law observance and law enforce-
 10 ment, including cost of printing, purchase of newspapers, and
 11 other necessary expenses in connection therewith: *Provided*
 12 *further*, That not exceeding \$10,000 may be expended for
 13 services or information looking toward the apprehension of
 14 narcotic law violators who are fugitives from justice.

15 Printing and binding: For printing and binding for the
 16 Bureau of Narcotics, \$4,000.

17 BUREAU OF ENGRAVING AND PRINTING

18 For the work of engraving and printing, exclusive of
 19 repay work, during the fiscal year 1947, United States
 20 currency and internal-revenue stamps, including opium
 21 orders and special-tax stamps required under the Act of
 22 December 17, 1914 (26 U. S. C. 1040, 1383), checks,
 23 drafts, and miscellaneous work, as follows:

24 Salaries and expenses: For the Director, two Assistant
 25 Directors, and other personal services in the District of

1 Columbia, including wages of rotary press plate printers
2 at per diem rates and all other plate printers at piece rates
3 to be fixed by the Secretary of the Treasury, not to exceed
4 the rates usually paid for such work; and all other necessary
5 expenses, except printing and binding, including engravers'
6 and printers' materials and other materials, including dis-
7 tinctive and nondistinctive paper, except distinctive paper
8 for United States currency and Federal Reserve bank cur-
9 rency; purchase of card and continuous form checks; equip-
10 ment of, repairs to, and maintenance of buildings and grounds
11 and minor alterations to buildings; periodicals, examples of
12 engraving and printing, including foreign securities and
13 stamps, and books of reference, not to exceed \$500; travel-
14 ing expenses not to exceed \$15,000; articles approved
15 by the Secretary of the Treasury as being necessary
16 for the protection of the person of employees, not to
17 exceed \$2,200; stationery, not to exceed \$5,000; transfer
18 to the Bureau of Standards for scientific investigations in
19 connection with the work of the Bureau of Engraving and
20 Printing, not to exceed \$15,000; and maintenance and
21 operation of two motor-propelled passenger-carrying vehicles;
22 \$11,750,000, to be expended under the direction of the
23 Secretary of the Treasury.

24 Printing and binding: For printing and binding for the
25 Bureau of Engraving and Printing, \$5,500.

1 During the fiscal year 1947 all proceeds derived
2 from work performed by the Bureau of Engraving and Print-
3 ing, by direction of the Secretary of the Treasury, not covered
4 and embraced in the appropriations for such Bureau for such
5 fiscal year, instead of being covered into the Treasury as
6 miscellaneous receipts, as provided by the Act of August 4,
7 1886 (31 U. S. C. 176), shall be credited when received
8 to the appropriations for such Bureau for the fiscal year
9 1947.

10 SECRET SERVICE DIVISION

11 Salaries: For the Chief of the Division and other per-
12 sonal services in the District of Columbia, \$100,000.

13 Suppressing counterfeiting and other crimes: For sal-
14 aries and other expenses in detecting, arresting, and deliver-
15 ing into the custody of the United States marshal or other
16 officer having jurisdiction, dealers and pretended dealers in
17 counterfeit money, persons engaged in counterfeiting, forg-
18 ing, and altering United States notes, bonds, national bank
19 notes, Federal Reserve notes, Federal Reserve bank notes,
20 and other obligations and securities of the United States
21 and of foreign governments (including endorsements thereon
22 and assignments thereof), as well as the coins of the United
23 States and of foreign governments, and persons committing
24 other crimes against the laws of the United States relating
25 to the Treasury Department and the several branches of

1 the public service under its control; purchase (not to exceed
2 sixty), hire, maintenance, repair, and operation of motor-
3 propelled passenger-carrying vehicles when necessary; pur-
4 chase of arms and ammunition; stationery (not to exceed
5 \$7,500) ; traveling expenses; and for no other purpose what-
6 soever, except in the performance of other duties specifically
7 authorized by law, and in the protection of the person of the
8 President and the members of his immediate family and of
9 the person chosen to be President of the United States;
10 \$1,800,000: *Provided*, That of the amount herein appro-
11 priated not to exceed \$15,000 may be expended for the
12 purpose of securing information concerning violations of the
13 laws relating to the Treasury Department, and for services
14 or information looking toward the apprehension of criminals,
15 and all vouchers claiming reimbursement from such amount
16 of \$15,000 shall have the approval of the Chief of the Secret
17 Service before payment.

18 White House Police: For one captain, one inspector,
19 four lieutenants, six sergeants, and one hundred and two
20 privates, at rates of pay provided by law, \$325,000, not-
21 withstanding the provisions of the Act of April 22, 1940
22 (3 U. S. C. 62) .

23 For uniforming and equipping the White House Police,
24 including the purchase, issue, and repair of revolvers, and
25 the purchase and issue of ammunition and miscellaneous

1 supplies, to be procured in such manner as the President in
2 his discretion may determine, \$9,000.

3 Salaries and expenses, guard force, Treasury buildings:
4 For salaries and expenses of the guard force for Treasury
5 Department buildings in the District of Columbia, includ-
6 ing the Bureau of Engraving and Printing, and elsewhere,
7 including purchase, repair, and cleaning of uniforms, pur-
8 chase (not to exceed three), maintenance, repair, and opera-
9 tion of motor-propelled passenger-carrying vehicles, and the
10 purchase of arms and ammunition and miscellaneous equip-
11 ment, \$825,000: *Provided*, That not to exceed \$140,554
12 of the appropriation "Salaries and expenses, Bureau of
13 Engraving and Printing", may be transferred to this appro-
14 priation to cover service rendered such Bureau in connection
15 with the protection of currency, bonds, stamps, and other
16 papers of value the cost of producing which is not covered
17 and embraced in the direct appropriations for such Bureau:
18 *Provided further*, That the Secretary of the Treasury may
19 detail two agents of the Secret Service to supervise such
20 force.

21 Printing and binding: For printing and binding for the
22 Secret Service Division, \$8,000.

23 Reimbursement to District of Columbia, benefit pay-
24 ments to White House Police and Secret Service forces:
25 To enable the Secretary of the Treasury to reimburse the

1 District of Columbia on a monthly basis for benefit payments
2 made from the revenues of the District of Columbia to mem-
3 bers of the White House Police force and such members of
4 the United States Secret Service Division as are entitled
5 thereto under the Act of October 14, 1940 (54 Stat. 1118),
6 to the extent that such benefit payments are in excess of
7 the salary deductions of such members credited to said
8 revenues of the District of Columbia during the fiscal year
9 1947, pursuant to section 12 of the Act of September 1,
10 1916 (39 Stat. 718), as amended, \$45,000.

11 . BUREAU OF THE MINT

12 Salaries and expenses, Office of the Director: For per-
13 sonal services in the District of Columbia and for assay
14 laboratory chemicals, fuel, materials, balances, weights,
15 stationery (not to exceed \$700), books, periodicals, speci-
16 mens of coins, ores, and travel and other expenses incident
17 to the examination of mints, visiting mints for the purpose
18 of superintending the annual settlement, and for the collec-
19 tion of statistics relative to the annual production and con-
20 sumption of the precious metals in the United States,
21 \$170,000.

22 Transportation of bullion and coin: For transportation
23 of bullion and coin, by registered mail or otherwise, between
24 mints, assay offices, and bullion depositories, \$85,000, in-

1 cluding compensation of temporary employees and other
2 necessary expenses.

3 Salaries and expenses, mints and assay offices: For com-
4 pensation of officers and employees of the mints at Philadel-
5 phia, Pennsylvania; San Francisco, California; and Denver,
6 Colorado; the assay offices at New York, New York; and
7 Seattle, Washington, and the bullion depositories at Fort
8 Knox, Kentucky; and West Point, New York, including
9 necessary personal services for carrying out the provisions
10 of the Gold Reserve Act of 1934 and the Silver Purchase
11 Act of 1934, and any Executive orders, proclamations, and
12 regulations issued thereunder, and for incidental and con-
13 tingent expenses, including traveling expenses, stationery
14 (not to exceed \$3,900), new machinery and repairs,
15 arms and ammunition, purchase and maintenance of uni-
16 forms and accessories for guards, protective devices, and
17 their maintenance, training of employees in use of firearms
18 and protective devices, maintenance, repair, and operation
19 of three motor-propelled passenger-carrying vehicles, cases
20 and enameling for medals manufactured, net wastage in
21 melting and refining and in coining departments, loss on sale
22 of sweeps arising from the treatment of bullion and the
23 manufacture of coins, not to exceed \$500 for the expenses
24 of the annual assay commission, and not exceeding \$1,000

1 for the acquisition, at the dollar face amount or otherwise, of
2 specimen and rare coins, including United States and foreign
3 gold coins and pieces of gold used as, or in lieu of, money,
4 and ores, for addition to the Government's collection of such
5 coins, pieces, and ores; \$6,000,000.

6 Printing and binding: For printing and binding for the
7 Bureau of the Mint, \$9,500.

8 ~~(7)~~For a period of two years following the enactment of
9 this Act, the Secretary of the Treasury is authorized to sell
10 or lease for manufacturing uses, including manufacturing
11 uses incident to reconversion and the building up of employ-
12 ment in industry, upon such terms as the Secretary of the
13 Treasury shall deem advisable, to any person, partnership,
14 association, or corporation, or any department of the Gov-
15 ernment, any silver held or owned by the United States at
16 not less than 71.11 cents per fine troy ounce: *Provided*, That
17 at all times the ownership and the possession or control
18 within the United States of an amount of silver of a mone-
19 tary value equal to the face amount of all outstanding silver
20 certificates heretofore or hereafter issued by the Secretary
21 of the Treasury shall be maintained by the Treasury.

22 *(a) Subsection (b) of section 4 of the Act entitled "An*
23 *Act to extend the time within which the powers relating to*
24 *the stabilization fund and alteration of the weight of the*

1 dollar may be exercised", approved July 6, 1939, is amended
2 to read as follows:

3 “(b) (1) Until June 30, 1948, the Director of such
4 mint with the consent of the owner shall deduct and retain
5 of such silver so received 30 per centum as seigniorage for
6 services performed by the Government of the United States
7 relative to the coinage and delivery of silver dollars. The
8 balance of such silver so received, that is, 70 per centum, shall
9 be coined into standard silver dollars and the same or any
10 equal number of other standard silver dollars shall be de-
11 livered to the owner or depositor of such silver. The 30 per
12 centum of such silver so deducted shall be retained as bullion
13 by the Treasury or coined into standard silver dollars and
14 held or disposed of in the same manner as other bullion or
15 silver dollars held in or belonging to the Treasury.

16 “(2) On and after July 1, 1948, there shall be delivered
17 therefor in standard silver dollars or any other coin or coin-
18 age of the United States, the full monetary value of the silver
19 so delivered, less such deductions for brassage, coinage, and
20 other mint charges as the Secretary of the Treasury with
21 the approval of the President shall have determined, not to
22 exceed the actual cost thereof: Provided, That such mint is
23 satisfied the silver so delivered has been mined subsequently
24 to June 30, 1948, from natural deposits in the United States
25 or any place subject to the jurisdiction thereof.”

1 *(b) The following statutes and portions of statutes are*
2 *hereby repealed:*

3 *(1) Section 1805 of the Internal Revenue Code, as*
4 *amended;*

5 *(2) Sections 6, 7, and 8, and the second proviso in sec-*
6 *tion 3, of the Silver Purchase Act of 1934, approved June*
7 *19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).*

8 *(c) Until June 30, 1948, the Secretary of the Treasury*
9 *is authorized to sell for domestic manufacturing uses, to any*
10 *person, partnership, association, or corporation, or any*
11 *department of the Government, any nonmonetized silver held*
12 *or owned by the United States, at a price of not less than*
13 *90.3 cents per fine troy ounce, and thereafter at a price of*
14 *not less than the legal monetary value (of silver) per fine*
15 *troy ounce: Provided, That until June 30, 1948, no such*
16 *sale shall be made unless the purchaser has certified in*
17 *writing, and the Secretary of the Treasury is satisfied, that*
18 *such silver is to be used in domestic industry or the arts*
19 *and within a period of six months after any such sale:*
20 *Provided further, That at all times the ownership and the*
21 *possession or control within the United States of an amount*
22 *of silver of a monetary value equal to the face amount of*
23 *all outstanding silver certificates heretofore or hereafter issued*
24 *by the Secretary of the Treasury shall be maintained by the*
25 *Treasury: And provided further, That on the consummation*

1 of such sale of silver by the Treasury to any purchaser, the
 2 purchaser shall immediately take possession of the silver so
 3 sold and by him purchased and remove the same from the
 4 Treasury, in accordance with such rules and regulations as
 5 the Secretary of the Treasury may prescribe.

6 (d) Hereafter, notwithstanding the provisions of any
 7 other law, maximum prices shall not be established or main-
 8 tained upon—

9 (1) standard commercial bars or other forms of
 10 silver bullion, whether foreign, domestic, or Treasury;

11 (2) semifabricated silver articles;

12 (3) silver scrap; or

13 (4) the processing of silver or silver scrap.

14 PROCUREMENT DIVISION

15 Salaries and expenses: For the Director of Procurement
 16 and other personal services in the District of Columbia and
 17 in the field service, and for miscellaneous expenses, includ-
 18 ing office supplies and materials, stationery (not to exceed
 19 \$31,500), purchase of motortrucks and maintenance and
 20 operation of such trucks and motor-propelled passenger-
 21 carrying vehicles, telegrams, telephone service, traveling
 22 expenses, office equipment, fuel, light, electric current,
 23 and other expenses for carrying into effect regulations
 24 governing the procurement, warehousing, and distribution
 25 by the Procurement Division of the Treasury Department

1 of property, equipment, stores, and supplies in the District
2 of Columbia and in the field, \$1,227,000: *Provided*, That the
3 Secretary of the Treasury is authorized and directed during
4 the fiscal year 1947 to transfer to this appropriation
5 from any appropriations or funds available to the several
6 departments and establishments of the Government for the
7 fiscal year 1947 such amounts as may be approved by
8 the Bureau of the Budget, not to exceed the sum of (a)
9 the amount of the annual compensation of employees who
10 may be transferred or detailed to the Procurement Division,
11 respectively, from any such department or establishment,
12 where the transfer or detail of such employees is incident
13 to a transfer of a function or functions to that Division and
14 (b) such amount as the Bureau of the Budget may deter-
15 mine to be necessary for expenses other than personal
16 services incident to the proper carrying out of functions so
17 transferred: *Provided further*, That when there has been or
18 shall be transferred from any agency of the Government to
19 the Procurement Division any function of warehousing, and
20 the agency from which such function is being transferred
21 is authorized at the time of such transfer to perform functions
22 of procurement, warehousing, or distribution of property,
23 equipment, stores, or supplies for non-Federal agencies the
24 Procurement Division is authorized during the fiscal year

1 1947 to continue the performance of such functions for
2 such non-Federal agencies where such functions are to
3 be discontinued by the agency from which the warehousing
4 function has been transferred, and the receipts, including
5 surcharge, for all issues to and all advances by all non-
6 Federal agencies shall be credited to the general supply
7 fund: *Provided further*, That payments during the fiscal
8 year 1947 to the general supply fund for materials, and
9 supplies (including fuel), and services, and overhead ex-
10 penses for all issues shall be made on the books of the
11 Treasury Department by transfer and counterwarrants pre-
12 pared by the Procurement Division of the Treasury Depart-
13 ment and countersigned by the Comptroller General, such
14 warrants to be based solely on itemized invoices prepared
15 by the Procurement Division at issue prices to be fixed
16 by the Director of Procurement: *Provided further*, That
17 payments covering transactions between the Procurement
18 Division and field offices of other Government agencies
19 whose detailed appropriation or fund accounts are main-
20 tained elsewhere than within the District of Columbia, may
21 be made on the basis of itemized vouchers or invoices
22 prepared by the Procurement Division and sent through
23 the appropriate field offices to the disbursing officers for
24 the agencies involved, who are hereby authorized to make
25 payment based (1) upon certification of the Procurement

1 Division, which shall include the specific statement that
2 the vouchers are issued pursuant to and in conformity with
3 purchase orders or requisitions duly executed by the agency
4 billed, and (2) upon approval and certification of such
5 vouchers by the agency billed, which action shall be based
6 upon acceptance of the Procurement Division certification
7 as made, subject to later adjustment if necessary, the re-
8 sponsibility of the certifying officer to be limited to the avail-
9 ability of the funds to be charged: *Provided further*, That
10 the general supply fund may be used to purchase from or
11 through the Public Printer standard forms and blankbook
12 work for field warehouse stocking and issue, but issues
13 thereof shall be made only to Government agencies and
14 shall be chargeable to applicable appropriation authoriza-
15 tions or limitations of such agencies for printing and binding,
16 and reports of such issues shall be made as the Public Printer
17 may require: *Provided further*, That advances received
18 pursuant to law (31 U. S. C. 686) from departments and
19 establishments of the United States Government and the
20 government of the District of Columbia during the fiscal
21 year 1947 shall be credited to the general supply fund:
22 *Provided further*, That during the fiscal year 1947
23 there shall be available from the general supply fund
24 for personal services in the District of Columbia not to
25 exceed \$1,250,000: *Provided further*, That per diem em-

1 ployees engaged in work in connection with operations of
2 the fuel yards may be paid rates of pay approved by the
3 Secretary of the Treasury not exceeding current rates for
4 similar services in the District of Columbia: *Provided further*,
5 That the term "fuel" shall be held to include "fuel oil":
6 *Provided further*, That the reconditioning and repair of sur-
7 plus property and equipment for disposition or reissue to
8 Government service, may be made at cost by the Procure-
9 ment Division, payment therefor to be effected by charging
10 the proper appropriation and crediting the general supply
11 fund: *Provided further*, That all orders for printing and
12 binding for the Treasury Department, exclusive of work
13 performed in the Bureau of Engraving and Printing and
14 exclusive of such printing and binding as may under existing
15 law be procured by field offices under authorization of the
16 Joint Committee on Printing, shall be placed by the Director
17 of Procurement in accord with the provisions of existing
18 law.

19 Repairs to typewriting machines (except bookkeeping
20 and billing machines) in the Government service in the
21 District of Columbia and areas adjacent thereto may be made
22 at cost by the Procurement Division, payment therefor to be
23 effected by charging the proper appropriaton and crediting
24 the general supply fund.

25 No part of any money appropriated by this or any other

1 Act shall be used during the fiscal year 1947 for
 2 the purchase, within the continental limits of the United
 3 States, of any standard typewriting machines (except book-
 4 keeping, billing, and electric machines) at a price in excess
 5 of the following for models with carriages which will ac-
 6 commodate paper of the following widths, to wit: Ten inches
 7 (correspondence models), ~~(8)\$70~~ \$77; twelve inches,
 8 ~~(9)\$75~~ \$82.50; fourteen inches, ~~(10)\$77.50~~ \$85.25; sixteen
 9 inches, ~~(11)\$82.50~~ \$90.75; eighteen inches, ~~(12)\$87.50~~
 10 \$96.25; twenty inches, ~~(13)\$94~~ \$103.40; twenty-two
 11 inches, ~~(14)\$95~~ \$104.50; twenty-four inches, ~~(15)\$97.50~~
 12 \$107.25; twenty-six inches, ~~(16)\$103.50~~ \$113.85; twenty-
 13 eight inches, ~~(17)\$104~~ \$114.40; thirty inches, ~~(18)\$105~~
 14 \$115.50; thirty-two inches, ~~(19)\$107.50~~ \$118.25: or, for
 15 standard typewriting machines distinctively quiet in oper-
 16 ation, the maximum prices shall be as follows for models
 17 with carriages which will accommodate paper of the follow-
 18 ing widths, to wit: Ten inches, ~~(20)\$80~~ \$88; twelve inches,
 19 ~~(21)\$85~~ \$93.50; fourteen inches, ~~(22)\$90~~ 99; eighteen
 20 inches, ~~(23)\$95~~ \$104.50: *Provided*, That there may be
 21 added to such prices the amount of Federal excise taxes
 22 paid or payable with respect to any such machines.

23 Printing and binding: For printing and binding for the
 24 Procurement Division, including printed forms and miscel-
 25 laneous items for general use of the Treasury Department,

1 the cost of transportation to field offices of printed and bound
 2 material and the cost of necessary packing boxes and pack-
 3 ing materials, \$150,000, together with not to exceed \$4,000
 4 to be transferred from the general supply fund, Treasury
 5 Department.

6 No part of any appropriation or authorization in this
 7 Act shall be used to pay any part of the salary or expenses
 8 of any person whose salary or expenses are prohibited from
 9 being paid from any appropriation or authorization in any
 10 other Act.

11 This title may be cited as the "Treasury Department
 12 Appropriation Act, 1947".

13 TITLE II—POST OFFICE DEPARTMENT

14 The following sums are appropriated in conformity with
 15 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office
 16 Department for the fiscal year ending June 30, 1947,
 17 namely:

18 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
 19 COLUMBIA

20 OFFICE OF THE POSTMASTER GENERAL

21 Salaries: For the Postmaster General and other per-
 22 sonal services in the office of the Postmaster General in
 23 the District of Columbia, ~~(24) \$319,900~~ \$329,900.

24 SALARIES IN BUREAUS AND OFFICES

25 For personal services in the District of Columbia in

1 bureaus and offices of the Post Office Department in not to
2 exceed the following amounts, respectively:

3 Office of Budget and Administrative Planning,
4 \$50,650.

5 Office of the First Assistant Postmaster General,
6 (25)~~\$940,000~~ \$964,600.

7 Office of the Second Assistant Postmaster General,
8 (26)~~\$750,000~~ \$774,000.

9 Office of the Third Assistant Postmaster General,
10 (27)~~\$1,148,000~~ \$1,175,500.

11 Office of the Fourth Assistant Postmaster General,
12 (28)~~\$630,000~~ \$659,800.

13 Office of the Solicitor for the Post Office Department,
14 (29)~~\$147,500~~ \$170,000.

15 Office of the chief inspector, (30)~~\$368,000~~ \$393,000.

16 Office of the purchasing agent, \$67,800.

17 Bureau of Accounts, (31)~~\$500,000~~ \$544,000.

18 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

19 For all necessary contingent and miscellaneous expenses
20 not otherwise provided for; including maintenance, repair,
21 and operation of two passenger automobiles; purchase and
22 exchange of lawbooks and books of reference; newspapers;
23 and travel expenses of the purchasing agent and of the
24 Solicitor and attorneys connected with his office, not exceed-
25 ing \$1,900; \$155,000.

1 For printing and binding for the Post Office Depart-
2 ment and Postal Service, \$1,825,000.

3 Appropriations hereinafter made for the field service of
4 the Post Office Department, except as otherwise provided,
5 shall not be expended for any of the purposes hereinbefore
6 provided for on account of the Post Office Department in the
7 District of Columbia: *Provided*, That the actual and neces-
8 sary expenses of officials and employees of the Post Office
9 Department and Postal Service, when traveling on official
10 business, may be paid from the appropriations for the service
11 in connection with which the travel is performed, and appro-
12 priations for the fiscal year 1947 shall be available
13 therefor: *Provided further*, That appropriations hereinafter
14 made, except such as are exclusively for payment of com-
15 pensation, shall be available for expenses in connection
16 with the examination of estimates for appropriations in
17 the field including per diem allowances in lieu of actual
18 expenses of subsistence.

19 FIELD SERVICE, POST OFFICE DEPARTMENT

20 OFFICE OF THE POSTMASTER GENERAL

21 Travel expenses, Postmaster General and Assistant
22 Postmasters General: For travel and miscellaneous expenses
23 in the Postal Service, offices of the Postmaster General and
24 Assistant Postmasters General, \$3,000.

25 Personal or property damage claims: To enable the

1 Postmaster General to pay claims for damages, occurring
2 during the fiscal year 1947, or in prior fiscal years,
3 to persons or property in accordance with the provisions
4 of the Deficiency Appropriation Act, approved June 16,
5 1921 (5 U. S. C. 392), as amended by the Act approved
6 June 22, 1934 (31 U. S. C. 224c), \$124,000.

7 Adjusted losses and contingencies: To pay to post-
8 masters, Navy mail clerks, and assistant Navy mail clerks
9 or credit them with the amount ascertained to have been
10 lost or destroyed during the fiscal year 1947, or prior fiscal
11 years, through unavoidable casualty resulting from no fault
12 or negligence on their part, as authorized by the Act ap-
13 proved March 17, 1882, as amended (39 U. S. C. 49),
14 \$55,000.

15 OFFICE OF CHIEF INSPECTOR

16 Salaries of inspectors: For salaries of fifteen inspectors
17 in charge of divisions and eight hundred inspectors, \$3,838,-
18 000.

19 Travel and miscellaneous expenses: For necessary travel
20 expenses of inspectors, inspectors in charge, the chief post-
21 office inspector, and the assistant chief post-office inspector,
22 including reimbursement of not to exceed 3 cents per mile for
23 official travel performed by them in privately owned auto-
24 mobiles within the limits of their official stations, and for the
25 travel expenses of four clerks performing stenographic and

1 clerical assistance to post-office inspectors in the investigation
 2 of important fraud cases; for tests, exhibits, documents, pho-
 3 tographs, office, and other necessary expenses incurred by
 4 post-office inspectors in connection with their official investi-
 5 gations, including necessary miscellaneous expenses of
 6 division headquarters, and not to exceed \$500 for books of
 7 reference needed in the operation of the Post Office Inspection
 8 Service, \$960,000: *Provided*, That not exceeding \$24,500
 9 of this sum shall be available for transfer by the Postmaster
 10 General to other departments and independent establish-
 11 ments for chemical and other investigations.

12 Clerks: For compensation of three hundred and eighty-
 13 nine clerks in the Post Office Inspection Service,
 14 (32)~~\$1,073,500~~ \$1,100,000.

15 Payment of rewards: For payment of rewards for the
 16 detection, arrest, and conviction of post-office burglars, rob-
 17 bers, highway mail robbers, and persons mailing or causing
 18 to be mailed any bomb, infernal machine, or mechanical,
 19 chemical, or other device or composition which may ignite,
 20 or explode, \$55,000: *Provided*, That rewards may be paid
 21 in the discretion of the Postmaster General, when an offender
 22 of the classes mentioned was killed in the act of committing
 23 the crime or in resisting lawful arrest: *Provided further*,
 24 That no part of this sum shall be used to pay any rewards
 25 at rates in excess of those specified in Post Office Depart-

ment Order 28673, dated July 28, 1945: *Provided further*,
 That of the amount herein appropriated not to exceed
 \$20,000 may be expended in the discretion of the Postmaster
 General, for the purpose of securing information concerning
 violations of the postal laws and for services and information
 looking toward the apprehension of criminals.

OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

Compensation to postmasters: For compensation to
 postmasters, including compensation as postmaster to persons
 who, pending the designation of an acting postmaster,
 assume and properly perform the duties of postmaster in
 the event of a vacancy in the office of postmaster of the
 third or fourth class, and for allowances for rent, light,
 fuel, and equipment to postmasters of the fourth class,
 \$74,000,000.

Compensation to assistant postmasters: For compensa-
 tion to assistant postmasters at first- and second-class post
 offices, ~~(33)\$11,440,000~~ \$11,725,500.

Clerks, first- and second-class post offices: For compen-
 sation to clerks and employees at first- and second-class post
 offices, including auxiliary clerk hire at summer and winter
 post offices, printers, mechanics, skilled laborers, watchmen,
 messengers, mail handlers, and substitutes, \$391,870,000.

Contract station service: For contract station serv-
 ice, \$3,100,000.

1 Separating mails: For separating mails at fourth-class
2 post offices, \$180,000.

3 Unusual conditions: For unusual conditions at post
4 offices, \$50,000.

5 Clerks, third-class post offices: For compensation to
6 clerks at third-class post offices, \$17,512,000.

7 Miscellaneous items, first- and second-class post offices:
8 For miscellaneous items necessary and incidental to the
9 operation and protection of post offices of the first and second
10 classes, and the business conducted in connection therewith,
11 not provided for in other appropriations, \$3,000,000.

12 Village delivery service: For village delivery service in
13 towns and villages having post offices of the second or third
14 class, and in communities adjacent to cities having city
15 delivery, \$273,400.

16 Detroit River service: For Detroit River postal service,
17 \$12,990.

18 Carfare and bicycle allowance: For carfare and bicycle
19 allowance, including special-delivery carfare, cost of trans-
20 porting carriers by privately owned automobiles to and from
21 their routes, at rates not exceeding regular streetcar or bus
22 fare, and purchase, maintenance, and exchange of bicycles,
23 \$1,575,000.

24 City delivery carriers: For pay of letter carriers, City

1 Act shall be used during the fiscal year 1947 for
 2 the purchase, within the continental limits of the United
 3 States, of any standard typewriting machines (except book-
 4 keeping, billing, and electric machines) at a price in excess
 5 of the following for models with carriages which will ac-
 6 commodate paper of the following widths, to wit: Ten inches
 7 (correspondence models), ~~(8)\$70~~ \$77; twelve inches,
 8 ~~(9)\$75~~ \$82.50; fourteen inches, ~~(10)\$77.50~~ \$85.25; sixteen
 9 inches, ~~(11)\$82.50~~ \$90.75; eighteen inches, ~~(12)\$87.50~~
 10 \$96.25; twenty inches, ~~(13)\$94~~ \$103.40; twenty-two
 11 inches, ~~(14)\$95~~ \$104.50; twenty-four inches, ~~(15)\$97.50~~
 12 \$107.25; twenty-six inches, ~~(16)\$103.50~~ \$113.85; twenty-
 13 eight inches, ~~(17)\$104~~ \$114.40; thirty inches, ~~(18)\$105~~
 14 \$115.50; thirty-two inches, ~~(19)\$107.50~~ \$118.25; or, for
 15 standard typewriting machines distinctively quiet in oper-
 16 ation, the maximum prices shall be as follows for models
 17 with carriages which will accommodate paper of the follow-
 18 ing widths, to wit: Ten inches, ~~(20)\$80~~ \$88; twelve inches,
 19 ~~(21)\$85~~ \$93.50; fourteen inches, ~~(22)\$90~~ 99; eighteen
 20 inches, ~~(23)\$95~~ \$104.50: *Provided*, That there may be
 21 added to such prices the amount of Federal excise taxes
 22 paid or payable with respect to any such machines.

23 Printing and binding: For printing and binding for the
 24 Procurement Division, including printed forms and miscel-
 25 laneous items for general use of the Treasury Department,

1 the cost of transportation to field offices of printed and bound
 2 material and the cost of necessary packing boxes and pack-
 3 ing materials, \$150,000, together with not to exceed \$4,000
 4 to be transferred from the general supply fund, Treasury
 5 Department.

6 No part of any appropriation or authorization in this
 7 Act shall be used to pay any part of the salary or expenses
 8 of any person whose salary or expenses are prohibited from
 9 being paid from any appropriation or authorization in any
 10 other Act.

11 This title may be cited as the "Treasury Department
 12 Appropriation Act, 1947".

13 TITLE II—POST OFFICE DEPARTMENT

14 The following sums are appropriated in conformity with
 15 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office
 16 Department for the fiscal year ending June 30, 1947,
 17 namely:

18 POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF
 19 COLUMBIA

20 OFFICE OF THE POSTMASTER GENERAL

21 Salaries: For the Postmaster General and other per-
 22 sonal services in the office of the Postmaster General in
 23 the District of Columbia, (24) ~~\$319,900~~ \$329,900.

24 SALARIES IN BUREAUS AND OFFICES

25 For personal services in the District of Columbia in

1 bureaus and offices of the Post Office Department in not to
2 exceed the following amounts, respectively:

3 Office of Budget and Administrative Planning,
4 \$50,650.

5 Office of the First Assistant Postmaster General,
6 (25)~~\$940,000~~ \$964,600.

7 Office of the Second Assistant Postmaster General,
8 (26)~~\$750,000~~ \$774,000.

9 Office of the Third Assistant Postmaster General,
10 (27)~~\$1,148,000~~ \$1,175,500.

11 Office of the Fourth Assistant Postmaster General,
12 (28)~~\$630,000~~ \$659,800.

13 Office of the Solicitor for the Post Office Department,
14 (29)~~\$147,500~~ \$170,000.

15 Office of the chief inspector, (30)~~\$368,000~~ \$393,000.

16 Office of the purchasing agent, \$67,800.

17 Bureau of Accounts, (31)~~\$500,000~~ \$544,000.

18 CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

19 For all necessary contingent and miscellaneous expenses
20 not otherwise provided for; including maintenance, repair,
21 and operation of two passenger automobiles; purchase and
22 exchange of lawbooks and books of reference; newspapers;
23 and travel expenses of the purchasing agent and of the
24 Solicitor and attorneys connected with his office, not exceed-
25 ing \$1,900; \$155,000.

1 For printing and binding for the Post Office Depart-
2 ment and Postal Service, \$1,825,000.

3 Appropriations hereinafter made for the field service of
4 the Post Office Department, except as otherwise provided,
5 shall not be expended for any of the purposes hereinbefore
6 provided for on account of the Post Office Department in the
7 District of Columbia: *Provided*, That the actual and neces-
8 sary expenses of officials and employees of the Post Office
9 Department and Postal Service, when traveling on official
10 business, may be paid from the appropriations for the service
11 in connection with which the travel is performed, and appro-
12 priations for the fiscal year 1947 shall be available
13 therefor: *Provided further*, That appropriations hereinafter
14 made, except such as are exclusively for payment of com-
15 pensation, shall be available for expenses in connection
16 with the examination of estimates for appropriations in
17 the field including per diem allowances in lieu of actual
18 expenses of subsistence.

19 FIELD SERVICE, POST OFFICE DEPARTMENT

20 OFFICE OF THE POSTMASTER GENERAL

21 Travel expenses, Postmaster General and Assistant
22 Postmasters General: For travel and miscellaneous expenses
23 in the Postal Service, offices of the Postmaster General and
24 Assistant Postmasters General, \$3,000.

25 Personal or property damage claims: To enable the

1 Postmaster General to pay claims for damages, occurring
2 during the fiscal year 1947, or in prior fiscal years,
3 to persons or property in accordance with the provisions
4 of the Deficiency Appropriation Act, approved June 16,
5 1921 (5 U. S. C. 392), as amended by the Act approved
6 June 22, 1934 (31 U. S. C. 224c), \$124,000.

7 Adjusted losses and contingencies: To pay to post-
8 masters, Navy mail clerks, and assistant Navy mail clerks
9 or credit them with the amount ascertained to have been
10 lost or destroyed during the fiscal year 1947, or prior fiscal
11 years, through unavoidable casualty resulting from no fault
12 or negligence on their part, as authorized by the Act ap-
13 proved March 17, 1882, as amended (39 U. S. C. 49).
14 \$55,000.

15 OFFICE OF CHIEF INSPECTOR

16 Salaries of inspectors: For salaries of fifteen inspectors
17 in charge of divisions and eight hundred inspectors, \$3,838,-
18 000.

19 Travel and miscellaneous expenses: For necessary travel
20 expenses of inspectors, inspectors in charge, the chief post-
21 office inspector, and the assistant chief post-office inspector,
22 including reimbursement of not to exceed 3 cents per mile for
23 official travel performed by them in privately owned auto-
24 mobiles within the limits of their official stations, and for the
25 travel expenses of four clerks performing stenographic and

1 clerical assistance to post-office inspectors in the investigation
 2 of important fraud cases; for tests, exhibits, documents, pho-
 3 tographs, office, and other necessary expenses incurred by
 4 post-office inspectors in connection with their official investi-
 5 gations, including necessary miscellaneous expenses of
 6 division headquarters, and not to exceed \$500 for books of
 7 reference needed in the operation of the Post Office Inspection
 8 Service, \$960,000: *Provided*, That not exceeding \$24,500
 9 of this sum shall be available for transfer by the Postmaster
 10 General to other departments and independent establish-
 11 ments for chemical and other investigations.

12 Clerks: For compensation of three hundred and eighty-
 13 nine clerks in the Post Office Inspection Service,
 14 (32) ~~\$1,073,500~~ \$1,100,000.

15 Payment of rewards: For payment of rewards for the
 16 detection, arrest, and conviction of post-office burglars, rob-
 17 bers, highway mail robbers, and persons mailing or causing
 18 to be mailed any bomb, infernal machine, or mechanical,
 19 chemical, or other device or composition which may ignite,
 20 or explode, \$55,000: *Provided*, That rewards may be paid
 21 in the discretion of the Postmaster General, when an offender
 22 of the classes mentioned was killed in the act of committing
 23 the crime or in resisting lawful arrest: *Provided further*,
 24 That no part of this sum shall be used to pay any rewards
 25 at rates in excess of those specified in Post Office Depart-

1 ment Order 28673, dated July 28, 1945: *Provided further,*
 2 That of the amount herein appropriated not to exceed
 3 \$20,000 may be expended in the discretion of the Postmaster
 4 General, for the purpose of securing information concerning
 5 violations of the postal laws and for services and information
 6 looking toward the apprehension of criminals.

7 OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

8 Compensation to postmasters: For compensation to
 9 postmasters, including compensation as postmaster to persons
 10 who, pending the designation of an acting postmaster,
 11 assume and properly perform the duties of postmaster in
 12 the event of a vacancy in the office of postmaster of the
 13 third or fourth class, and for allowances for rent, light,
 14 fuel, and equipment to postmasters of the fourth class,
 15 \$74,000,000.

16 Compensation to assistant postmasters: For compensa-
 17 tion to assistant postmasters at first- and second-class post
 18 offices, (33)~~\$11,440,000~~ \$11,725,500.

19 Clerks, first- and second-class post offices: For compen-
 20 sation to clerks and employees at first- and second-class post
 21 offices, including auxiliary clerk hire at summer and winter
 22 post offices, printers, mechanics, skilled laborers, watchmen,
 23 messengers, mail handlers, and substitutes, \$391,870,000.

24 Contract station service: For contract station serv-
 25 ice, \$3,100,000.

1 Separating mails: For separating mails at fourth-class
2 post offices, \$180,000.

3 Unusual conditions: For unusual conditions at post
4 offices, \$50,000.

5 Clerks, third-class post offices: For compensation to
6 clerks at third-class post offices, \$17,512,000.

7 Miscellaneous items, first- and second-class post offices:
8 For miscellaneous items necessary and incidental to the
9 operation and protection of post offices of the first and second
10 classes, and the business conducted in connection therewith,
11 not provided for in other appropriations, \$3,000,000.

12 Village delivery service: For village delivery service in
13 towns and villages having post offices of the second or third
14 class, and in communities adjacent to cities having city
15 delivery, \$273,400.

16 Detroit River service: For Detroit River postal service,
17 \$12,990.

18 Carfare and bicycle allowance: For carfare and bicycle
19 allowance, including special-delivery carfare, cost of trans-
20 porting carriers by privately owned automobiles to and from
21 their routes, at rates not exceeding regular streetcar or bus
22 fare, and purchase, maintenance, and exchange of bicycles,
23 \$1,575,000.

24 City delivery carriers: For pay of letter carriers, City

1 be, operated by the Post Office Department, \$818,000:
2 *Provided*, That excepting expenditures for labor for or in-
3 cidental to the moving of equipment from or into public
4 buildings, the foregoing appropriation shall not be used for
5 personal services except for work done under contract or for
6 temporary job labor under exigency and not exceeding at
7 one time the sum of \$100 at any one building: *Provided*
8 *further*, That all furniture now owned by the United States
9 in other public buildings or in buildings rented by the United
10 States shall be used, so far as practicable, whether or not it
11 corresponds with the present regulation plan of furniture.
12 **(39)** *During the fiscal year 1947, the Postmaster General*
13 *shall make quarterly reports to the Senate and House Com-*
14 *mittees on Appropriations, showing for each quarter the*
15 *amount paid from each appropriation for overtime, the*
16 *number of employees receiving such overtime, and the number*
17 *of hours of overtime worked by such employees, together*
18 *with a statement as to the necessity for such overtime work.*

19 Deficiency in postal revenues: If the revenues of the
20 Post Office Department shall be insufficient to meet the
21 appropriations made under title II of this Act, a sum equal
22 to such deficiency in the revenues of such Department is
23 hereby appropriated, to be paid out of any money in the
24 Treasury not otherwise appropriated, to supply such defi-
25 ciency in the revenues of the Post Office Department for the

1 fiscal year ending June 30, 1947, and the sum needed
2 may be advanced to the Post Office Department upon
3 requisition of the Postmaster General.

4 This title may be cited as the "Post Office Department
5 Appropriation Act, 1947".

6 TITLE III—GENERAL PROVISIONS

7 (40)SEC. 301. No part of any appropriation contained in
8 this Act shall be used to pay the salary or wages of any
9 person who advocates, or who is a member of an organ-
10 ization that advocates, the overthrow of the Government of
11 the United States by force or violence: *Provided*, That for
12 the purposes hereof an affidavit shall be considered prima
13 facie evidence that the person making the affidavit does
14 not advocate, and is not a member of an organization that
15 advocates, the overthrow of the Government of the United
16 States by force or violence: *Provided further*, That any
17 person who advocates, or who is a member of an organ-
18 ization that advocates, the overthrow of the Government
19 of the United States by force or violence and accepts em-
20 ployment, the salary or wages for which are paid from
21 any appropriation contained in this Act, shall be guilty
22 of a felony and, upon conviction, shall be fined not more
23 than \$1,000 or imprisoned for not more than one year,
24 or both: *Provided further*, That the above penalty clause

1 shall be in addition to, and not in substitution for, any other
2 provisions of existing law.

3 *SEC. 301. No part of any appropriation contained in*
4 *this Act shall be used to pay the salary or wages of any*
5 *person who engages in a strike against the Government of*
6 *the United States or who is a member of an organization*
7 *of Government employees that asserts the right to strike*
8 *against the Government of the United States, or who advo-*
9 *cates, or is a member of an organization that advocates, the*
10 *overthrow of the Government of the United States by force*
11 *or violence: Provided, That for the purposes hereof an*
12 *affidavit shall be considered prima facie evidence that the*
13 *person making the affidavit has not contrary to the provisions*
14 *of this section engaged in a strike against the Government*
15 *of the United States, is not a member of an organization of*
16 *Government employees that asserts the right to strike against*
17 *the Government of the United States, or that such person*
18 *does not advocate, and is not a member of an organization*
19 *that advocates, the overthrow of the Government of the*
20 *United States by force or violence: Provided further, That*
21 *any person who engages in a strike against the Government*
22 *of the United States or who is a member of an organization*
23 *of Government employees that asserts the right to strike*
24 *against the Government of the United States, or who ad-*

1 *vocates, or who is a member of an organization that advo-*
 2 *cates, the overthrow of the Government of the United States*
 3 *by force or violence and accepts employment the salary or*
 4 *wages for which are paid from any appropriation contained*
 5 *in this Act shall be guilty of a felony and, upon conviction,*
 6 *shall be fined not more than \$1,000 or imprisoned for not*
 7 *more than one year, or both: Provided further, That the*
 8 *above penalty clause shall be in addition to, and not in*
 9 *substitution for, any other provisions of existing law.*

10 SEC. 302. This Act may be cited as the "Treasury
 11 and Post Office Departments Appropriation Act, 1947".

Passed the House of Representatives February 14, 1946.

Attest:

SOUTH TRIMBLE,

Clerk.

Passed the Senate with amendments June 21 (legislative
 day, March 5), 1946.

Attest:

LESLIE L. BIFFLE,

Secretary.

79TH CONGRESS
2^D SESSION

H. R. 5452

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 21, 1946

Ordered to be printed with the amendments of the
Senate numbered

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued June 26, 1946
For actions of June 25, 1946
79th-2nd, No. 123

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HIGHLIGHTS. House agreed to conference report on price-control bill. Both Houses agreed to conference report on selective-service bill. House committee reported resolutions for disapproval of President's reorganization plans. Senate passed bill to return USES employment offices to States; received USDA Solicitor's letter saying farm-placement provisions wouldn't interfere with USDA farm-labor program. Rep. Rogers submitted resolution asking Secretary to submit information on feed shortage in Mass. President approved bill to extend period during which alcohol plants may produce sugars and sirups. President approved bill to authorize USDA to condemn unfit materials in process or renovated butter.

HOUSE

1. **PRICE CONTROL.** Agreed, 265-105, to the conference report on H. R. 6042, to continue and amend the Price Control and Stabilization Acts (pp. 7637-49), after rejecting, 150-221, a motion by Rep. Rizley, Okla., to recommit the bill to conference with instructions to remove all controls from livestock, dairy, meat, and meat products (pp. 7648-9).
2. **SELECTIVE SERVICE.** Agreed, 259-110, to the conference report on H.R. 6064, to continue the Selective Training and Service Act (pp. 7615-24).
3. **INTERIOR APPROPRIATION BILL.** Agreed to the conference report on this bill, H. R. 6335, and acted on amendments in disagreement (pp. 7627-37). Agreed to the amendment providing \$3,340,000 for water conservation and utilization projects (p. 7635).
4. **STATISTICS.** Recommitted, 167-161, H. R. 5857, to provide basic authority for Census Bureau activities (pp. 7614-5).
5. **TREASURY-POST OFFICE APPROPRIATION BILL.** House conferees were appointed on this bill, H. R. 5452 (p. 7615). Senate conferees were appointed June 21.
6. **D. C. APPROPRIATION BILL.** Received the conference report on this bill, H. R. 5990 (pp. 7624-7).
7. **LEGISLATIVE APPROPRIATION BILL.** Received the conference report on this bill, H. R. 6429 (p. 7651).

8. SURPLUS PROPERTY. The Expenditures in the Executive Departments Committee reported with amendments H. R. 6702, to clarify the rights of former owners of real property under the Surplus Property Act of 1944 (H. Rept. 2337)(p. 7662).
9. GRAIN SHORTAGE. Rep. Rogers, Mass., inserted a telegram she had received discussing grain shortage in Mass. and blaming "unrealistic price pattern" (p. 7653).
10. TRADE-MARKS. Agreed to the conference report on H. R. 1654, to provide for registration of trade-marks used in commerce, to carry out international conventions, etc. (pp. 7649-50). The Senate has not yet received the report.

SENATE

11. PRICE CONTROL. Received the conference report on H. R. 6042, to extend and amend the Price Control and Stabilization Acts (pp. 7589-93).
12. SELECTIVE SERVICE. Agreed to the conference report on H. R. 6064, to continue the Selective Training and Service Act (p. 7606). This bill will now be sent to the President.
13. RESEARCH; UTILIZATION. As reported (see Digest 122), S. 1908 provides as follows: Directs the Secretary of Agriculture (1) to devise methods of utilizing surplus and inferior grades of agricultural commodities through development of new uses and markets and improved methods of handling, and (2) to disseminate information so developed. In connection with this work, authorizes the Secretary to operate demonstration plants and projects; utilize Government plants and facilities and, by agreement, private plants and facilities; and cooperate with and furnish financial assistance to private or governmental bodies. Authorizes the Secretary to utilize or provide for utilization of surplus, deteriorating, and inferior grades of surplus commodities by (1) making Government plants and other property available to private and governmental bodies, (2) providing for handling such commodities, and (3) operating Government facilities. Provides that the Secretary is to accomplish the objectives of the bill insofar as possible through private enterprise. Authorizes the Secretary, as a condition to furnishing assistance, to require (1) agreements regarding use of Government property, (2) contributions to any operation regarding which assistance is furnished, and (3) free use of inventions, etc. Authorizes transfer from any other Government agency of any Government property which the Secretary deems essential to operations authorized by the bill.
14. EMPLOYMENT SERVICE. Passed with amendments H. R. 4437, to provide for the return of the USES offices to the States (pp. 7574-89, 7594-603); During the debate Sen. Mead, N. Y., stated that the Federal Government has an obligation to maintain an adequate employment system for veterans and inserted a VFW letter on the subject (pp. 7579-80); Sen. Donnell, Mo., discussed with other Senators the methods of reemployment of Federal employees (pp. 7585-6); Sen. Morse, Oreg., discussed farm-placement functions and inserted an Oreg. Farmers Assn. statement opposing the inclusion of the farm-labor work under the Labor Department (p. 7597); and Sen. Tunnell, Del., inserted and discussed with other Senators a letter from the USDA Solicitor expressing the opinion that the farm-labor provision of the bill would not interfere with continuation of the farm-labor supply program of this Department (pp. 7602-3).
15. LIBRARY SERVICE. The Education and Labor Committee reported (June 21) with amendments S. 1920, which authorizes appropriations to be paid to State library agencies by the Office of Education for demonstrating library service, primarily in rural areas, over a 5-year period (S. Rept. 1575).

Rains	Ryter	Thomason
Rankin	Sabath	Traynor
Rea	Savage	Trimble
Richards	Sheppard	Voorhis, Calif.
Riley	Sikes	Walter
Robertson, Va.	Spence	Weaver
Roe, N. Y.	Starkey	White
Rogers, Fla.	Sullivan	Whittington
Rogers, N. Y.	Tarver	Worley
Rowan	Thom	
Russell	Thomas, Tex.	

NOT VOTING—104

Almond	Granger	Peterson, Ga.
Anderson, Calif.	Grant, Ala.	Powell
Andrews, N. Y.	Gwinn, N. Y.	Quinn, N. Y.
Baldwin, Md.	Harris	Rayfiel
Barry	Hart	Reece, Tenn.
Bates, Mass.	Holifield	Rivers
Bell	Izac	Robertson, N. Dak.
Bennet, N. Y.	Jackson	Robinson, Utah
Bonner	Johnson	Roe, Md.
Boren	Lyndon B.	Rooney
Boykin	Jonkman	Sadowski
Bradley, Mich.	Kean	Sasser
Bradley, Pa.	Kearney	Sheridan
Camp	Kee	Slaughter
Cannon, Fla.	Kerr	Smith, Va.
Cannon, Mo.	Lea	Somers, N. Y.
Case, S. Dak.	LeCompte	Sparkman
Chapfield	Lewis	Stevenson
Clark	Ludlow	Stewart
Cochran	McDonough	Stigler
Coffee	McGehee	Sumner, Ill.
Colmer	Mankin	Sumners, Tex.
Cox	Mansfield	Tolan
Crawford	Mont.	Torrens
Curley	Mansfield, Tex.	Vinson
Dawson	Marcantonio	Wasielewski
De Lacy	Miller, Calif.	Welch
Delaney	Monroney	West
James J.	Murdock	Whitten
Doyle	Murphy	Wickersham
Drewry	Norrell	Winstead
Engel, Mich.	Norton	Wolfenden, Pa.
Gamble	Pace	Wood
Gardner	Patman	Woodhouse
Gibson	Patrick	Zimmerman
Gillespie	Patterson	

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Gamble for, with Mr. Miller of California against.
 Mr. Bradley of Michigan for, with Mr. Camp against.
 Mr. Anderson of California for, with Mr. Vinson against.
 Mr. Case of South Dakota for, with Mr. Coffee against.
 Mr. Jonkman for, with Mr. Rooney against.
 Mr. LeCompte for, with Mr. De Lacy against.
 Mr. Robertson of North Dakota for, with Mr. Sheridan against.
 Mr. Stevenson for, with Mr. Rayfiel against.
 Mr. Lewis for, with Mr. Bradley of Pennsylvania against.
 Miss Sumner of Illinois for, with Mr. James J. Delaney against.
 Mr. Gillespie for, with Mr. Sparkman against.
 Mr. Engel of Michigan for, with Mr. Barry against.
 Mr. Bates of Massachusetts for, with Mr. Quinn of New York against.
 Mr. Kearney for, with Mr. Izac against.
 Mr. Chapfield for, with Mr. Doyle against.
 Mr. Crawford for, with Mr. Jackson against.

General pairs until further notice:

Mr. Boykin with Mr. Andrews of New York.
 Mr. Colmer with Mr. Kean.
 Mr. Holifield with Mr. Gwinn of New York.
 Mr. Mansfield of Montana with Mr. Bennet of New York.
 Mr. Hart with Mr. McDonough.
 Mr. Monroney with Mr. Welch.
 Mr. Patman with Mr. Wolfenden of Pennsylvania.

Mr. BALDWIN of New York and Mr. LEMKE changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

TREASURY AND POST OFFICE DEPARTMENT APPROPRIATIONS

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. LUDLOW, O'NEAL, D'ALESSANDRO, KOPPLEMANN, CANNON of Missouri, TABER, KEEFE, and CANFIELD.

OFFICERS AND EMPLOYEES FOR CIRCUIT COURTS OF APPEAL AND DISTRICT COURTS

Mr. CRAVENS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4230) to provide necessary officers and employees for circuit courts of appeals and district courts, with Senate amendments, disagree to the Senate amendments, and ask for a conference with the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. CRAVENS]? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. BYRNE of New York, Mr. CRAVENS, and Mr. REED of Illinois.

PAY INCREASES FOR PERSONNEL OF THE ARMY, NAVY, MARINE CORPS, COAST GUARD, COAST AND GEODETIC SURVEY, AND THE PUBLIC HEALTH SERVICE

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (H. R. 6084) to amend the Pay Readjustment Act of 1942, as amended, and for other purposes, and I ask unanimous consent that the statement on the part of the managers of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky [Mr. MAY]?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House, June 21, 1946.)

Mr. MAY. Mr. Speaker, I wish to make a very brief statement with respect to this matter.

This conference report returns to the House of Representatives the pay readjustment bill almost identically as it passed the House. The only change in the substance of the bill in any particular provision as it passed the House is one which increases the pay of the grade of captain 5 percent. The House bill had provided for a 10-percent raise, and by agreement of the conferees that was fixed at 15 percent.

The only other change was to include the Marine Corps Band, with increases in the same proportion as the other grades and ranks in the bill for other personnel of the armed forces.

The bill having been passed practically unanimously and having heretofore been debated, I have no requests for time at this time.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. SHORT. I simply wish to inform the Members of the House that this conference report was unanimously adopted, and once more I want to take advantage of this opportunity to compliment the subcommittee of our Committee on Military Affairs who worked so long and so hard to bring about the best pay bill, I think, since 1922. Particular credit goes to the chairman of that subcommittee, the gentleman from Louisiana [Mr. BROOKS], and the gentleman from Iowa [Mr. MARTIN].

Mr. MURRAY of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. MURRAY of Wisconsin. I would like to ask the distinguished chairman of this committee exactly what happened to the amendment with reference to the scientists.

Mr. SHORT. That is not in this bill. That is in the draft bill.

Mr. MAY. That is in the draft bill.

Mr. SHORT. Will the gentleman yield further?

Mr. MAY. I yield.

Mr. SHORT. I want every Member of this House, when we bring up this conference report on the draft, to bear in mind that we are passing this increased pay bill, which is a separate measure, and do not mess it up with the other issue.

Mr. MAY. That is correct.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. ROBSION of Kentucky. I did not understand the change that was made in the pay bill which the gentleman stated.

Mr. MAY. The only change is to increase the captain's pay 5 percent and to include the Marine Corps Band on the same schedule as other personnel.

Mr. ROBSION of Kentucky. This, then, retains the 50-percent increase for the lower grades in the personnel of the Army and Navy and auxiliary services.

Mr. MAY. It retains the 50-percent increase for the seven grades of enlisted personnel. I voted for the bill as it passed the House and trust this conference report will be adopted without a dissenting vote.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on this provision of this conference report.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. MAY. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

EXTENSION OF SELECTIVE TRAINING AND SERVICE ACT

Mr. MAY. Mr. Speaker, I call up the conference report on the bill (H. R. 6064)

to extend the Selective Training and Service Act of 1940, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the conference report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

(For conference report and statement, see proceedings of the House of June 21, 1946.)

Mr. MAY. Mr. Speaker, I yield myself 5 minutes.

Mr. SHORT. Mr. Speaker, because of the importance of this report and the fact that so many requests for time have been made, I wonder if we might have an additional hour to discuss this matter.

Mr. MAY. No.

Mr. SHORT. Mr. Speaker, I ask unanimous consent that we have an additional 30 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. MAY. Reserving the right to object, Mr. Speaker, I hope my colleague will not insist upon that request, because there are two or three other conference reports coming up today.

Mr. SHORT. I know that there are many important conference reports to be acted on today, but we met at 10 o'clock and it is now only 11. We can sit here until midnight or 2 o'clock in the morning. We have done it before.

Mr. MAY. Let me say to my genial friend and colleague that it is only 6 days now until this act expires. The same applies to the OPA. I am leary of the fact that we may run into some difficulty in connection with some of these matters and have to reenact the old legislation.

Mr. SHORT. Could we not have an additional 30 minutes?

Mr. MAY. I am going to yield to the gentleman what time I can.

Mr. SHORT. Mr. Speaker, I insist on my request that the time be extended 30 minutes.

Mr. WALTER. I object, Mr. Speaker.

Mr. MAY. Mr. Speaker, I am going to take just a very few minutes for the purpose of calling attention to some of the high spots in this report.

Everyone remembers that the House bill as passed and sent to the Senate contained a provision fixing the minimum age for the drafting of men for military service at 20 years and the maximum age at 30 years. The Senate in the consideration of the measure sent to it from the House, struck out everything after the enacting clause and wrote a new bill, which constituted one amendment to the House bill. At the conference, which was attended for several days and on numerous occasions, there was detailed discussion of every provision of both bills.

May I add here in answer to a lot of newspaper columnists' criticism of the conferees and the proceedings in the conference that it was a gentlemanly procedure, well behaved, with everybody in a good humor, the reports to the con-

trary notwithstanding. It was, however, a matter of strong contention on both sides. I think everybody in this Chamber knows that every conference report is the result of give and take. You cannot always have your own way. If any one side of a conference could just write its own bill there would be no necessity for a conference. It is because there are contentions and disputes on differences in judgment that these measures go to conference.

Everyone knows I have fought courageously and bravely here to keep the teen-agers out of the military service in peacetime, but when the conferees came to that question I had to yield a part of the way, not all of the way. We compromised that by fixing the minimum age at 19 and the maximum age at 44. All men who are physically qualified between those ages are subject to induction, with certain exceptions.

There is one other thing I think you ought to know, and I think it is helpful in this matter, that during the actual conduct of the war there were about 4,500,000 men deferred from military duty on the ground of essentiality in war industries, some of them in the class known as IV-F. Many thousands of others were classified for deferment during the actual combat period of the war and for numerous reasons were also deferred from military service. We have removed these from the group who may be deferred, for reason that they are no longer engaged in war-production industries.

We provide in the conference report that these men cannot be any longer deferred for military reasons because of the fact they are no longer engaged in the production of munitions for war or war equipment. We also fixed the size of the armed forces as of two dates. As of July 1, 1946, the size of the Army is fixed at 1,550,000. On July 1, 1947, that is required to be brought down to 1,070,000. In the consideration of that matter we arrived at the conclusion that in determining the size of the Army at those particular times there ought not to be included three groups of men:

First. Those on terminal leave.

Second. Those who are in a detachment of patients who are to be discharged or relieved from active duty without being returned to their active-duty status.

Third. Those being processed and now in or going to reception or discharge centers.

Mr. O'HARA. Mr. Speaker, will the gentleman yield?

Mr. MAY. I yield.

Mr. O'HARA. The gentleman mentioned that the draft age had been raised to 19 years. I notice in section 3 the language reads "between the ages of 18 and 45." Is that the customary limitation being provided by putting it that way? Is it the intention of the conferees that the boy does not become subject to the draft until he is 19 years old?

Mr. MAY. The act in another section, the number of which I do not recall at the moment, specifically provides that when they reach their nineteenth birthday they are eligible for induction and not until then. Therefore, that exempts the 18-year-olds from induction under

the draft. That was and is the purpose and intent of the bill to be sure no one who has not reached 19 years of age will be drafted.

Mr. KUNKEL. With reference to the figures that you quoted as to the size of the Army on July 1, 1946 and 1947, respectively, are those figures acceptable to the Army?

Mr. MAY. That is the recommendation of the Army, as I recall it, in the hearings before our committee.

There were a lot of questions propounded to me during the time of the conference meetings on the subject of whether or not scientists and other experts were to be deferred for that reason. We eliminated that provision and they are not to be deferred except under the provisions of the law as it originally existed subject to the requirements of the Secretary of War and regulations of the Selective Service System.

Mr. Speaker, I cannot urge too strongly the very real necessity for prompt adoption of the pending conference report.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. MAY. Mr. Speaker, I yield 10 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, one of the world's greatest characters once said:

To act contrary to conscience is neither safe nor upright.

Again he said:

Here I stand, I can do no other, God help me.

One of our wisest American philosophers once stated:

To be great is to be alone.

History is replete with men and incidents which corroborate this immortal truth.

One of our greatest Presidents once said:

Let us have faith that right makes might.

And again he said:

Never let us be slandered from our duty by false accusations against us, nor frightened from it by menaces of destruction to the Government, nor of dungeons to ourselves.

Mr. Speaker, these quotations were not uttered by Judas Iscariot, Aaron Burr, or Benedict Arnold; they were uttered by honest, intelligent, and patriotic men, who loved God, their country, and all mankind.

These criteria they uttered, we should follow in voting on this conference report.

No person in or out of this Chamber has higher admiration or deeper gratitude for the leaders of our armed forces who did such a marvelous job in winning the two wars from which we have triumphantly emerged than I. This goes for the Secretaries of War and Navy and their assistants.

It is needless for me to remind you that on different occasions I have defended and praised the generals and admirals, but I know they are human, not at all infallible, and do not hesitate to differ with them. I want to maintain

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE

Legislative Reports and Service Section

(For Department staff only)

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For actions of

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HIGHLIGHTS: Senate debated price-control measure, spending most of time on Wherry amendment to eliminate controls on livestock, poultry, eggs, and their products; Sen. Wherry quoted Secretary Anderson's testimony. Senate received appropriation estimate for inspection of materials used in process and renovated butter. House committee reported Flannagan-Hope research and marketing bill. Rep. Holmes said grain elevators are full and that he wondered how USDA can explain present situation in view of this. Rep. Rees criticized farm-machinery exports.

SENATE

1. **PRICE CONTROL.** Continued debate on H. J. Res. 371, to extend and amend the Price Control and Stabilization Acts (pp. 8472-509). Debated an amendment by Sen. Wherry, Nebr., to prohibit price control on livestock, poultry, eggs, or their products; Sen. Wherry quoted testimony of Secretary Anderson on the previous bill (pp. 8483-509).
2. **APPROPRIATIONS; BUTTER INSPECTION.** Received from the President a supplemental appropriation estimate of \$18,500 to enable BDI to carry out the recent act providing for inspection of materials used in process or renovated butter (S. Doc. 235). To Appropriations Committee. (p. 8472.)
3. **FEDERAL-AID INVESTIGATION.** The Education and Labor Committee reported without amendment S. Res. 300, to provide for an investigation of Federal grants to State and local governments for welfare, education, and health programs (S. Rept. 1668)(p. 8473).
4. **ADMINISTRATIVE EXPENSES.** In reporting H. R. 6533, the Manasco point-of-order bill (see Digest 129), the Senate Committee inserted amendments to increase the limit on household-goods transfers to 7,000 pounds if uncrated or 8,750 pounds if crated, to provide for mileage allowances of 5 cents for cars and 2 cents for motorcycles whether the travel is away from official stations or not, to provide that the waiver of the bids requirement for personal services shall be applicable only if the services are of a technical and professional nature or are performed under Government supervision and paid for on a time basis, to "specify in plain terms that...mandate for advertising for bids is equally applicable whether the Government deals as a buyer or as a seller", to authorize honor awards, to make the bill (except for the station-transfer provisions)

effective upon enactment rather than on July 1, 1946, and to provide that the bill's limitation on pay of experts or consultants shall not apply to agencies not under the Classification Act.

5. VEHICLE PURCHASING. Received from the President proposed provisions increasing to \$1,300 the amount allowed for purchase of passenger vehicles and repealing the provisions limiting the purchase of such vehicles to used or surplus (June 28, S. Doc. 229). To Appropriations Committee.
6. FOREIGN AFFAIRS. Received from the President a supplemental appropriation estimate of \$339,853.60 for the International Institute of Agriculture pending its integration with FAO (July 3, S. Doc. 233). To Appropriations Committee.

HOUSE

7. RESEARCH; MARKETING. The Agriculture Committee reported with amendment H.R. 6932, the Flannagan-Hope marketing and research bill (H.Rept. 2458) (p. 8560).
8. FLOOD CONTROL. Reps. Whittington, Allen (La.), Elliott, Clason, and Wilson were appointed conferees on H.R. 6597, the omnibus flood-control bill (p. 8514). Senate conferees were appointed July 5.
9. RIVERS AND HARBORS. Received the conference report on H.R. 6407, the rivers and harbors omnibus bill (pp. 8527-8). House conferees were appointed earlier in the day (pp. 8511-2).
10. TREASURY-POST OFFICE APPROPRIATION BILL. Received the conference report on this bill, H.R. 5452 (pp. 8515-6).
11. FARM MACHINERY. Rep. Roes, Kans., criticized the export of farm machinery when there is "an acute need for tractors and all kinds of farm machinery" in the U.S. (p. 8512).
12. WHEAT SITUATION. Rep. Holmes, Mass., criticized the wheat situation, inserted a newspaper item indicating that grain elevators are full, and stated "I wonder how the Department of Agriculture can explain this away" (p. 8514).
Rep. Rogers, Mass., criticized exports of "white flour" to Japan in view of the shortage here (p. 8515).
13. GRAIN SHORTAGE. Rep. Morrow, W.V., inserted W.H. Agriculture Commissioner Felker's letter stating that grain is more plentiful since the "death of OPA" (p. 8513).
14. POINTS OF ORDER. The Public Lands Committee reported with amendments H.R. 6629, to provide basic authority for the performance of certain functions and activities of the National Park Service (H.Rept. 2459) (p. 8560).
15. BUILDINGS AND GROUNDS. The Public Buildings and Grounds Committee reported with amendments H.R. 6017, to provide for site acquisition and design of Federal buildings (H.Rept. 2460) (p. 8560). For summary of bill see Digest 129.
16. BRITISH LOAN. Began debate on S. J. Res. 138, to authorize a loan to Great Britain (pp. 8519-27, 8528-59). Agreed earlier to a resolution for the consideration of this measure.
17. EXPENDITURES. Rep. Rich, Pa., criticized Federal expenditures for the fiscal year 1946 (p. 8513).

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts

There was no objection.

WHITE FLOUR IN JAPAN

Mrs. ROGERS of Massachusetts. Mr. Speaker, on Friday I entered the store of a business firm. One of the clerks said to me that his wife was horrified because she saw in the paper a picture of a Japanese learning how to use white flour. He told me that his wife and hundreds of other women were shocked beyond words that white flour is going to Japan; one of our enemies in World War II, and our own children cannot get white bread. In fact any kind of bread is very difficult for housewives to secure.

PERMISSION TO ADDRESS THE HOUSE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[Mr. HOFFMAN of Michigan addressed the House. His remarks appear in the Appendix of today's RECORD.]

CALL OF THE HOUSE

Mr. SIKES. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. MCCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Adams	Delaney,	Johnson,
Almond	James J.	Lyndon, B.
Anderson, Calif.	Delaney,	Johnson, Okla.
Andrews, N. Y.	John J.	Jones
Bailey	Dingell	Judd
Baldwin, Md.	Domengeaux	Kearney
Baldwin, N. Y.	Douglas, Calif.	Kefauver
Barden	Douglas, Ill.	Kelley, Pa.
Barrett, Pa.	Drewry	Keogh
Barry	Earthman	Kilburn
Bates, Ky.	Eberharter	Kilday
Bates, Mass.	Elsaesser	King
Beckworth	Engel, Mich.	Kirwan
Bell	Fallon	Klein
Bender	Fogarty	Lane
Bennet, N. Y.	Fuller	Larcade
Biemiller	Gamble	Latham
Blackney	Gardner	Lea
Bolton	Gary	LeCompte
Boren	Geelan	Lesinski
Boykin	Gerlach	Luce
Bradley, Mich.	Gibson	Ludlow
Bradley, Pa.	Gillespie	Lynch
Brehm	Goodwin	McConnell
Brumbaugh	Gorski	McCowan
Buckley	Gossett	McGehee
Butler	Granahan	McGlinchey
Byrne, N. Y.	Granger	McGregor
Byrnes, Wis.	Grant, Ala.	McMillen, Ill.
Camp	Green	Mahon
Cannon, Fla.	Gwinn, N. Y.	Mankin
Case, S. Dak.	Hagen	Mansfield,
Celler	Hall,	Mont.
Chapman	Leonard W.	Mansfield, Tex.
Clements	Halleck	Marcantonio
Cochran	Harless, Ariz.	Miller, Calif.
Coffe	Harris	Morrison
Colmer	Hart	Murphy
Corbett	Hébert	Neely
Courtney	Heffernan	Norton
Cox	Hendricks	O'Toole
Cravens	Holifield	Patrick
Crawford	Hook	Peterson, Ga.
Curley	Horan	Pfeifer
Daughton, Va.	Izac	Philbin
Dawson	Jennings	Ploeser
De Lacy	Johnson, Calif.	Plumley

Poage
Powell
Price, Fla.
Priest
Quinn, N. Y.
Rabaut
Rabin
Rayfiel
Reece, Tenn.
Richards
Rivers
Rizley
Robinson, Utah
Roe, Md.
Roe, N. Y.
Rogers, Fla.
Rogers, N. Y.

Rooney
Schwabe, Mo.
Scribner
Shafer
Sheridan
Slaughter
Smith, Maine
Somers, N. Y.
Sparkman
Stewart
Stigler
Sullivan
Sumner, Ill.
Summers, Tex.
Sundstrom
Tarver
Taylor

Thom
Tolan
Torrens
Towe
Vinson
Vursell
Welch
West
Wickersham
Winstead
Wolcott
Wolfenden, Pa.
Worley

The SPEAKER. On this roll call, 245 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

CONFERENCE REPORTS

Mr. CANNON of Missouri. Mr. Speaker, I ask unanimous consent that the managers on the part of the House in all committees of conference on appropriation bills now in disagreement between the two Houses may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The conference reports and statements referred to are as follows:

APPROPRIATIONS FOR THE COAST GUARD, TREASURY DEPARTMENT FOR THE FISCAL YEAR ENDING JUNE 30, 1947

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6428) making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$74,010,000"; and the Senate agree to the same.

EMMET O'NEAL,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
HERMAN P. KOPPLEMANN,
JOHN TABER,
FRANK B. KEEFE,

Managers on the Part of the House.

KENNETH McKELLAR,
CARL HAYDEN,
THEODORE FRANCIS GREEN,
CLYDE M. REED,
CHAN GURNEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6428) making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1: Appropriates \$74,010,000 for pay and allowances, Coast Guard, instead of \$72,000,000 as proposed by the House

and \$76,020,000 as proposed by the Senate. Of the increase, \$2,010,000, above the amount proposed by the House, \$1,000,000 is to be used for adequate manning of life-guard stations, including stations on the Great Lakes.

Amendment No. 2: Includes "ordnance stores" with "ordnance and aircraft" which the Coast Guard may procure from the Army and Navy without payment therefor.

EMMET O'NEAL,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
HERMAN P. KOPPLEMANN,
JOHN TABER,
FRANK B. KEEFE,

Managers on the Part of the House.

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS FOR THE FISCAL YEAR ENDING JUNE 30, 1947—

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 32 and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 35, and 36, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$432,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$89,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$177,050"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$196,200"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$65,300,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$324,900"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$952,300"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$762,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree

to the same with an amendment as follows: In lieu of the sum proposed insert "\$1,161,750"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$644,900"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$158,750"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$380,500"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$522,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$6,192,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$37,110,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$6,723,750"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 39, and 40.

EMMET O'NEAL,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
HERMAN P. KOPPLEMANN,
JOHN TABER,
FRANK B. KEEFE,
G. CANFIELD,

Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, Jr.,
CHAN GURNEY,
CLYDE M. REED,

Managers on the Part of the Senate.

STATEMENT

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Amendment No. 40: Amends provision prohibiting employment of persons who advocate overthrow of the Government or are members of organizations which advocate overthrow of Government to prohibit also employment of persons who engage in strikes against the Government or are members of organizations which assert the right to strike against the Government. The managers on the part of the House have authorized a motion to concur in the said amendment.

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HERMAN P. KOPPLEMANN,
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FRANK B. KEEFE,
G. CANFIELD,

Managers on the Part of the House.

PERSONAL PRIVILEGE

Mr. MAY. Mr. Speaker, I rise to a point of personal privilege under the rules of the House on certain documents and papers that I send to the Speaker's desk.

The SPEAKER. The Chair has looked over these papers and headlines, as well as the body of the articles. One headline states "Documents show MAY had financial stake in Garsson's empire."

The article further states:

Documentary evidence that Representative MAY, Democrat, of Kentucky, chairman of the House Military Committee, had a financial interest in the Illinois munitions empire he is said to have promoted at the War Department and his vehement denial featured explosive development yesterday before the Senate War Investigation Committee.

The Chair thinks that these entitle the gentleman to the question of personal privilege in his representative capacity, therefore, it recognizes the gentleman from Kentucky [Mr. MAY].

Mr. MAY. Mr. Speaker, exercising for the first time in 16 years' service here the privileges of this body under House Rules, I propose to make full answer to certain charges and insinuations being broadcast over the radio by a certain individual, as well as certain statements emanating from the Mead Senate Investigating Committee.

Most Members of this House will remember in the early stages of the war program how utterly unprepared we were to go to war, and how lacking we were in supplies and materials, as well as trained fighting forces. All of you remember the days of "letters of intent" when the War Department was moving heaven and earth to get our program of preparation under way. They were without any sort of plans and had to follow a device of letting contracts for billions of dollars in work based on "letters of intent," which merely said in substance that we intend to do thus and so—build this and that. During that early period

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATION BILL, 1947

JULY 8, 1946.—Ordered to be printed

Mr. O'NEAL, from the committee of conference, submitted the
following

CONFERENCE REPORT

[To accompany H. R. 5452]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 32 and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 35, and 36, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$432,000; and the Senate agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$89,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$177,050; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$196,200; and the Senate agree to the same.

Amendment numbered 6:

That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$65,300,000; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$324,900; and the Senate agree to the same.

Amendment numbered 25:

That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$952,300; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$762,000; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$1,161,750; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$644,900; and the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$158,750; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$380,500; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$522,000; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$6,192,000; and the Senate agree to the same.

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That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$37,110,000; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the sum proposed insert \$6,723,750; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 39, and 40.

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WALLACE H. WHITE, Jr.,
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STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

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"nonserviceable"). The Senate amendments concerning the proposed TVA fertilizer plant and the Watauga and South Holston Dams proposed by TVA were reported in disagreement.

11. TRADEMARKS. Agreed to the Senate amendment to H.R. 3424, to permit the removal of certain trademark registrations after expiry thereof (p. 8600). This bill will now be sent to the President.
12. RIVERS AND HARBORS. Agreed to the second conference report on H.R. 6407, the rivers and harbors omnibus bill (pp. 8650-1). The House had recommitted the bill to conference earlier in the day (pp. 8602-5).
13. TREASURY-POST OFFICE APPROPRIATION BILL. Agreed to the conference report on this bill, H.R. 5452 (pp. 8605-13). The House insisted further on its disagreement to the Senate amendment to the bill setting a 90.3-cent price for silver (pp. 8613-21).
14. LABOR-FEDERAL SECURITY APPROPRIATION BILL. Received the conference report on this bill, H.R. 6739 (pp. 8647-50).
15. FLOOD CONTROL. Received the conference report on H.R. 6597, the omnibus flood-control bill of 1946 (pp. 8646-7).
16. BRITISH LOAN. Continued debate on S.J.Res.138, to authorize a loan to Great Britain (pp. 8622-46).
17. PRICE CONTROL. Rep. Phillips, Calif., spoke opposing consumer subsidies and discussed prices now as compared to OPA ceilings, and inserted sundry statements on the subject (pp. 8652-3).
Received a Washington citizens' petition favoring OPA continuation without crippling amendments (p. 8653).
18. SURPLUS PROPERTY. Received the first quarterly progress report for 1946 from the War Assets Administration. To Expenditures in the Executive Departments Committee. (p. 8653.)

BILLS INTRODUCED

19. BUDGETING. H.R. 6984, by Rep. Whittington, Miss., to provide for balancing the Federal budget for the fiscal year 1947. To Expenditures in the Executive Departments Committee. (p. 8653.)
20. PUBLIC LANDS. S. 2412 (see Digest 130), to provide for site acquisition and design of Federal buildings, contains the same provisions as H.R. 6719, a summary of which appears in Digest 126.
21. PUBLIC LANDS; TAXATION. S. 2410 (see Digest 130) authorizes annual payment to each State of an amount equal to taxes on U.S. land in each State in which such lands include a national forest, a national wildlife refuge, lands administered under the Bankhead-Jones Farm Tenant Act or under the Taylor Grazing Act, lands in which title remains in the U.S. after sale until the purchase price is paid; Indian lands held in trust by the U.S., and lands leased by the U.S.; provides for apportionment to counties not to exceed 40% of the total expenditures of a county; and provides that each department head shall certify to the Secretary of the Treasury the acreage and fair value of lands under his jurisdiction.
22. HEALTH. H.R. 6922 (see Digest 126) creates a Department of Health to conduct research, experiments, and surveys and compile and disseminate information in cooperation with official agencies established in the several States; and transfers the Food and Drug Administration, Public Health Service, and others,

together with unexpended appropriations, to the new department.

ITEMS IN APPENDIX

23. DAIRY COOPERATIVES. Sen. Wiley, Wis., inserted a Country Gentleman article describing the operation of the Land O'Lakes Creameries, the world's largest dairy cooperative (pp. A4189-90).
24. MEAT SUBSIDIES. Extension of remarks of Rep. Vursell, Ill., criticizing meat subsidy payments and their relation to meat supplies and prices (p. A4190).
25. FERTILIZERS. Extension of remarks of Rep. Murray, Wis., criticizing Government operation of fertilizer plants and inserting a Wis. Council of Agriculture letter on the subject (p. A4197).
Extension of remarks of Rep. Hope, Kans., criticizing Government operation of fertilizer plants and inserting a Farmer Cooperative letter on the subject (pp. A4212-3).
26. WATER POLLUTION. Extension of remarks of Rep. Mundt, S. Dak., including a Fox Lake (Ill.) news item, on the need for legislation for water pollution control and prevention (pp. A4197-8).
27. FOREIGN RELIEF. Speech in the House by Rep. Flood, Pa., stating that he feels that there are communistically-inclined employees in UNRRA and inserting numerous news items on the subject (pp. A4201-12).
28. PRICE CONTROL. Rep. Dondero, Mich., inserted a N.Y. Journal editorial, "OPA Bureaucrats' Claims Don't Jibe with Record" (p. A4191).
Rep. Luce, Conn., inserted N.Y. Herald Tribune articles criticizing the President's veto of the price-control bill (pp. A4191-2).
Extension of remarks of Rep. Carlson, Kans., including a constituent's letter, favoring subsidy removal and opposing price ceilings on livestock and grain (pp. A4200-1).
Rep. Hand, N.J., inserted an Atlantic City C of C letter to the President supporting the "hold-the-line" policy on prices (p. A4201).

BILL APPROVED BY THE PRESIDENT

29. D.C. APPROPRIATION ACT, 1947. H.R. 5990, includes appropriations for weight-measure investigations; inspection of foods; distribution of surplus commodities and relief milk; cooperation with this Department in providing milk for school children; administration of a food conservation program through Victory gardens, canning projects, etc.; and permits Federal purchases of products from D.C. penal institutions. Approved July 9 (Public Law 493, 79th Cong.).

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COMMITTEE-HEARINGS ANNOUNCEMENTS for July 10: S. Agriculture, wool and other bills (ex.); S. Education and Labor, health bill; S. Appropriations, third deficiency appropriation (ex.); H. Irrigation and Reclamation, Gila reclamation project; H. Expenditures in the Executive Departments, report of GAO on audit of RFC war activities (ex.).

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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The question was taken; and there were—yeas 159, nays 123, not voting 150, as follows:

[Roll No. 205]

YEAS—159

Andersen, H. Carl
Andersen, August H.
Arends
Arnold
Auchincloss
Barrett, Wyo.
Bates, Mass.
Bennett, Mo.
Blackney
Bolton
Brown, Ohio
Buck
Buffett
Byrnes, Wis.
Campbell
Canfield
Cannon, Mo.
Carlson
Case, N. J.
Chenoweth
Chiperfield
Church
Clason
Clevenger
Clippinger
Cole, Kans.
Cole, Mo.
Cole, N. Y.
Cooley
Corbett
Cunningham
Curtis
D'Ewart
Dirksen
Dolliver
Dondero
Doughton, N. C.
Douglas, Ill.
Durham
Dworshak
Eaton
Ellis
Elston
Felows
Fenton
Forand
Fulton
Gary
Gavin
Geelan
Gifford
Gillette

Gillie
Goodwin
Graham
Grant, Ind.
Griffiths
Gross
Gwynne, Iowa
Hale
Hall
Leonard W.
Hand
Harness, Ind.
Hartley
Henry
Heiter
Heseltun
Hess
Hill
Hinshaw
Hoeven
Hoffman, Pa.
Holmes, Mass.
Hope
Howell
Huber
Jenkins
Jensen
Johnson, Ill.
Johnson, Ind.
Jones
Jonkman
Judd
Keefe
Kilburn
Klinzer
Knutson
Kopplemann
Kunkel
Landis
LeFevre
Lewis
Luce
Lynch
McConnell
McGregor
McMillen, Ill.
Martin, Iowa
Martin, Mass.
Mason
Mathews
Merrow
Mlchener
Miller, Nebr.
Monroney

Murray, Wis.
O'Brien, Ill.
O'Hara
O'Konski
O'Neal
Pickett
Ramey
Reed, Ill.
Reed, N. Y.
Rees, Kans.
Rich
Rizley
Robertson, Va.
Robson, Ky.
Rockwell
Rodgers, Pa.
Rogers, Mass.
Sasscer
Schwabe, Mo.
Scrivner
Sharp
Sheppard
Short
Simpson, Ill.
Simpson, Pa.
Smith, Maine
Smith, Ohio
Smith, Va.
Smith, Wis.
Springer
Stefan
Stevenson
Sundstrom
Taber
Talbot
Talle
Thom
Thomas, N. J.
Thomas, Tex.
Tibbott
Towe
Vorys, Ohio
Vursell
Wadsworth
Walter
Wasielewski
Weichel
Wigglesworth
Wilson
Winter
Wolcott
Wolverton, N. J.
Woodhouse
Woodruff

NAYS—123

Abernethy
Allen, La.
Andrews, Ala.
Angell
Bailey
Bishop
Bland
Bloom
Bonner
Brooks
Brown, Ga.
Bryson
Bunker
Carnahan
Chelf
Clark
Combs
Cooper
Courtney
CROSSER
D'Alessandro
Doyle
Drewry
Elliott
Ellsworth
Elsaesser
Engle, Calif.
Fallon
Feighan
Fernandez
Fisher
Flannagan
Flood
Folger
Gardner
Gathings
Gearhart
Gordon
Gore
Gorski
Green
Gregory

Hare
Havener
Hays
Healy
Hedrick
Hobbs
Hoch
Holmes, Wash.
Hook
Hull
Jackson
Jarman
Johnson, Calif.
Johnson, Ill.
Luther A.
Johnson, Okla.
Kelley, Pa.
Kelly, Ill.
Kerr
King
Klirwan
LaFollette
Larcade
Lea
Lemke
Link
Lyle
McCormack
McDonough
McKenzie
McMillan, S. C.
Madden
Maloney
Manasco
May
Mills
Morgan
Murdock
Murray, Tenn.
Neely
Norblad
Norrell

O'Brien, Mich.
Outland
Pace
Patman
Patterson
Peterson, Fla.
Peterson, Ga.
Plittenger
Pratt
Price, Fla.
Price, Ill.
Priest
Rains
Rankin
Resa
Riley
Robertson, N. Dak.
Rogers, Fla.
Rooney
Rowan
Ryter
Sabath
Sadowski
Savage
Schwabe, Okla.
Sikes
Spence
Starkey
Stigler
Stockman
Sullivan
Thomason
Traynor
Trimble
Voorhis, Calif.
Weaver
White
Whitten
Whittington
Zimmerman

NOT VOTING—150

Adams
Allen, Ill.
Almond
Anderson, Calif.
Andrews, N. Y.
Baldwin, Md.
Baldwin, N. Y.
Barden
Barrett, Pa.
Barry
Bates, Ky.
Beall
Beckworth
Bell
Bender
Bennet, N. Y.
Biemiller
Boren
Boykin
Bradley, Mich.
Bradley, Pa.
Brehm
Brumbaugh
Buchanan
Buckley
Bulwinkle
Butler
Byrne, N. Y.
Camp
Cannon, Fla.
Case, S. Dak.
Celler
Chapman
Clements
Cochran
Coffee
Colmer
Cox
Cravens
Crawford
Curley
Daughton, Va.
Davis
Dawson
De Lacy
Delaney, James J.
Delaney, John J.
Dingell
Domengeaux
Douglas, Calif.

Earthman
Eberharter
Engel, Mich.
Ervin
Fogarty
Fuller
Gallagher
Gamble
Gerlach
Gilson
Gilesple
Gossett
Granahan
Granger
Grant, Ala.
Gwinn, N. Y.
Hagen
Hall
Edwin Arthur
Halleck
Hancock
Harless, Ariz.
Harris
Hart
Hébert
Heffernan
Hendricks
Hoffman, Mich.
Holfield
Horan
Leac
Jennings
Johnson, Lyndon B.
Kean
Kearney
Kee
Kefauver
Keogh
Kliday
Klein
Lane
Lanham
Latham
LeCompte
Lesinski
Ludlow
McCowen
McGehee
McGlinchey
Mahon
Mankin

Mansfield, Mont.
Mansfield, Tex.
Marcantonio
Miller, Calif.
Morrison
Mundt
Murphy
Norton
O'Toole
Patrick
Pfeffer
Phillbin
Phillips
Pioeser
Plumley
Poage
Powell
Quinn, N. Y.
Rabaut
Rabin
Randolph
Rayfield
Reece, Tenn.
Richards
Rivers
Robinson, Utah
Roe, Md.
Roe, N. Y.
Rogers, N. Y.
Russell
Shafer
Sheridan
Slaughter
Somers, N. Y.
Sparkman
Stewart
Sumner, Ill.
Sumners, Tex.
Tarver
Taylor
To'an
Torrens
Vinson
Welch
West
Wickersham
Winstead
Wolfenden, Pa.
Wood
Worley

So the motion was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Adams for, with Mr. Boykin against.

Additional general pairs:

Mr. Sparkman with Mr. Crawford.

Mr. Dingell with Mr. Butler.

Mr. Rayfield with Mr. Andrews of New York.
Mr. James J. Delaney with Mr. Baldwin of New York.

Mr. Barrett of Pennsylvania with Mr. Hoffman of Michigan.

Mr. Byrne of New York with Mr. Phillips.

Mr. JACKSON, Mr. KELLEY of Pennsylvania, and Mr. FISHER changed their votes from "aye" to "no."

The result of the vote was announced as above recorded.

The doors were opened.

COMMITTEE ON MERCHANT MARINE AND FISHERIES—PERMISSION TO SIT DURING SESSIONS OF THE HOUSE

Mr. PETERSON of Florida. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries may sit for the remainder of the week during general debate in sessions of the House.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

COAST GUARD APPROPRIATION BILL, 1947—CONFERENCE REPORT

Mr. O'NEAL. Mr. Speaker, I call up the conference report on the bill (H. R.

6428) making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes.

The Clerk read the title of the bill.

The Clerk read the conference report. (For conference report, see proceedings of the House of July 8, 1946.)

Mr. O'NEAL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is a conference report on the Coast Guard appropriation bill. There will also be a conference report following on the Treasury-Post Office appropriation bill.

The chairman of these two subcommittees is our beloved colleague the gentleman from Indiana [Mr. LUDLOW]. I know all of you join with me in regretting that he cannot be on the floor at this time and in hoping that Mr. Ludlow will soon have recovered sufficiently to be back in the House attending to his duties. The gentleman from Indiana [Mr. Ludlow] has been a most faithful Member of this House, and as chairman of this committee he has worked very arduously and intelligently. It is my duty as the ranking Member on the majority side to take over the handling of this bill. I regret very deeply that the gentleman from Indiana [Mr. Ludlow] is not present and all of us wish him a very rapid recovery.

Mr. Speaker, this Coast Guard appropriation bill has little or no controversy in it. The Senate increased the amount by about \$4,000,000 and in conference the House increased its figure by \$2,000,000 or one-half the amount of the increase of the Senate.

So far as I know, there is no difference of opinion among the House conferees. It is the unanimous report of the conference committee and it is my intention to move the previous question unless the gentleman from New York or some other member of the committee desires to be heard.

Mr. TABER. Mr. Speaker, this is a complete report on the part of the conferees. It is a complete agreement. The only thing we can do is to agree to the conference report.

Mr. O'NEAL. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1947

Mr. O'NEAL. Mr. Speaker, I call up the conference report on the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the full report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 8, 1946.)

Mr. O'NEAL. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON of Missouri. Mr. Speaker, it is a matter of regret that our colleague from Indiana [Mr. LUDLOW] who has so ably piloted this bill through all stages of its consideration up to this time, is temporarily confined to the hospital and cannot be here to call up the conference report on final passage. I am glad to say he is rapidly recuperating and will soon be out again as good as new.

In the meantime we turn, as we always do in time of emergencies, to the distinguished gentleman from Kentucky [Mr. O'NEAL] to take over the management of the bill, and the Coast Guard bill which has just been disposed of, and push them through to final enactment.

The Treasury and Post Office appropriation bill is, as has often been said, the premier supply bill of the session. It carries appropriations of exceptional importance and too frequently involves problems of far-reaching effect. And the present bill is, in that respect, no exception to the rule. Mr. O'NEAL reports to the House in addition to the conference report, amendments still in disagreement involving some of the most difficult problems which have gone to conference this session of Congress.

I want to take advantage of the opportunity to express approval of the admirable way in which he has handled this situation, and the many other troublesome situations which have arisen in disposition of the appropriation bills for the fiscal year 1947. Mr. O'NEAL's work in this Congress has been indispensable. It has been a trying year. And his calm, judicial temperament, his understanding of the law, and especially his comprehensive knowledge of the fiscal affairs of the United States Government make him one of the most useful members who has ever served on the committee. He is the pinch-hitter, the trouble-shooter of the committee. We always call on him when we strike a snag, or when critical difficulties develop unexpectedly, and he is always equal to the occasion—as he is today.

During the course of the war the Committee on Appropriations has dealt with astronomical sums. In no major war effort has there been lack of ample funds for all legitimate operations. Every dollar essential to the winning of the war has been provided. In that vast program Mr. O'NEAL has had a very large part. And with the close of the war, he has instituted economies and salvaged amounts which will be reflected in the decreased demands upon the taxpayers of the country for many years to come. Throughout the war, and in the months of reconversion which have followed, as well as in this bill, he has rendered invaluable service to the committee, to the Congress, and to the country.

Mr. O'NEAL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, I would like to thank the gentleman from Missouri for his very kind but undeserved remarks. My purpose in taking the floor at this time is to explain to the House the present situation. In the conference report which we

have before us there are many amendments, none of them controversial. Ordinarily, the chairman of the committee would move the previous question and dispose of the conference report and then proceed to discuss the amendments in disagreement. However, there is one amendment in the bill which will be brought up which is so full of interest to many Members of the House that it seems desirable to yield time on the conference report so that some may have opportunity to discuss the amendment which will follow.

My purpose in taking the floor is to explain to the House that time will be yielded on the conference report, and the Members will be given time to speak on the amendment which will follow. The only reason for doing that is to have more time for the discussion of the amendment which follows.

I now yield 10 minutes to the gentleman from Idaho [Mr. WHITE].

Mr. WHITE. Mr. Speaker, I have just had occasion to cash two checks at the window of the Sergeant at Arms in payment of my services here as a Member of Congress. The first check I cashed was for \$20, and I received for that check, in payment of my services, a \$20 bill. It is a Federal Reserve note. It is new. It has never been in anybody's hand before. It was paid out by the Treasury of the United States. It is a Federal Reserve note from the Bank of Richmond. To get that note in circulation and printed and pay me, it was necessary for the Government to deposit bonds in the Federal Reserve Bank of Richmond in the amount of \$20, and we will be paying interest on that \$20 bond equivalent to this bank note until the bank note is retired.

I cashed another \$20 check at the same time a few minutes ago, and received money in payment of my services, and for that check I got the kind of money that the Sergeant at Arms is paying out, a 5, a 10, and five 1-dollar bills. Each one of these is a brand new silver certificate. They are redeemable in silver dollars. But the difference between this money that is paid to you in the form of silver certificates, redeemable in silver dollars, and this \$20 Federal Reserve note, is a saving to the Government of just \$10 on the silver certificates, because we know, as former Secretary Morgenthau testified, and as the records of the Treasury show, that the silver in the Treasury against which the silver certificates were issued cost the Treasury on the average 50 cents per ounce, in other words, the Treasury in paying me the silver certificates made \$10 on the transaction. On the Federal Reserve note transaction the Government is going to pay interest to the issuing bank until that note is retired. Everybody that receives silver certificates accepts the silver at \$1.29 an ounce, whereas if you are paid by the other kind of money, the Federal Reserve note, you are paid money that costs the Government 100 cents on the dollar.

The Government makes a profit in paying Members of Congress and all the Government employees in silver certificates 53 cents. I should like the Members to know that.

In order to ascertain the present price of silver in other countries I took occasion to call up the British Empire unit of the Department of Commerce to find out the present prices of silver in other parts of the world. I hold here a statement based on that information which states that silver at Bombay is now worth \$1.41 an ounce in our money, calculated on 176 rupees per 100 tolas. In Alexandria, Egypt, the price of silver was given as 810 piastres per kilo, which equals \$1.036 per ounce in United States currency. From the same authority we find that gold in Bombay was worth \$84.60 per ounce, in Alexandria \$73.93, and Shanghai, China, \$180,002 per troy ounce.

We are called upon today, if we vote to sustain the position of the House to sell silver at 71.11, to lose 58 cents on every ounce of silver that we have accumulated in the monetary reserves of the Treasury.

Under the provisions of the domestic Silver Purchase Act we have been acquiring silver, and the Secretary of the Treasury has only gone along with the mandatory provisions of the law and issued silver certificates up to the cost of the silver. As he bought the silver at a profit, the profit has been laid aside. In May 1946 we had accumulated an excess of over 1,300,000,000 ounces of silver, which would have a monetary value if turned into money as the other silver was turned into money of over \$2,000,000,000. At that time the Treasury had an unused silver reserve in the vaults of the Treasury silver equivalent to \$2,000,000,000. That was money metal. This monetary reserve of 1,350,000,000 ounces of money metal has been frittered away until we now have in the Treasury, as shown by the Treasury statement of July 2, 1946, an unused silver reserve of 219,088,915 ounces, which has a monetary value of around \$300,000,000. It is proposed that we reduce that monetary reserve by selling silver at less than its monetary value, or at a price of 58 cents less per ounce than the monetary value at which you accept silver certificates in your payment. It is proposed that you sell silver to the profiteers, that you open the doors of the Treasury to speculators who will buy this silver up and sell it in other parts of the world where they will pay the monetary price for it.

I want to call your attention to what has happened to the franc of France. Do you know that the franc for hundreds of years has been one of the stable monetary units of France? It was coined of silver and backed by gold. By using paper in place of coinage, the franc is today quoted at eight-tenths of a cent or 119 francs to 1 United States dollar. I hope the House in voting on this bill today will not reduce our monetary reserves and start the system that has reduced the franc to its abject position throughout the world.

Now, as to what the jewelers are doing with this silver, I would like to show you by information that I obtained here in Washington just what the jewelers are doing with this silver and the profit they make when they manufacture it into jewelry. The only silver that is under the ceiling price of the OPA is the so-called flatware—spoons, forks, knives,

and tableware. There are three kinds of silver manufactured by jewelers. The first is flatware; the next is hollowware; and the third is jewelry. I went to one of your most reputable houses here in Washington, Harris Bros., an old reliable house, who have the best reputation for the quality of their silverware, and purchased a number of articles of silver there. I also went to Woodward & Lothrop's big department store to find out just what the price of silver is and what they are doing with it when it is manufactured into so-called sterling. I bought only genuine sterling silver. I also called on the Bureau of Standards to bring in their scales and determine the actual weight of these sterling silver articles.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. O'NEAL. Mr. Speaker, I yield five additional minutes to the gentleman.

Mr. WHITE. I went to Woodward & Lothrop's and purchased a sterling silver spoon. It is of very plain design. The price was \$2.63; the tax was 44 cents; and the net price was \$2.19. The spoon weighed 0.84 of a troy ounce. That is a little over three-quarters of a troy ounce. In other words, they take 50 cents worth of silver and turn it into \$2.63. Claim is made that the art is what they put into the silver. That raises the price. I then went to Murphy's 5-and-10-cent store. I went down to the silverware counter and bought a companion spoon to the sterling spoon which had more art work on it and has the name stamped on it, all for 15 cents. So the manufacturer cannot say it is the cost of manufacturing or the art which goes to make up the difference between 15 cents and \$2.63 in that spoon. If you talk about profiteering, if they can get the silver that is in that spoon for 50 cents and with a simple stamp turn 65 cents worth of silver into a \$2.65 spoon with no more work than they do in making the 5-and-10-cent stuff, then I think they are profiteering.

I had occasion to go to Harris & Co. and buy a small ornament, a little piece of jewelry. This jewelry is a simple little stamped-out arrangement of a pin. The price of that article was \$25—I have a receipt. I had them leave the price tag on it. The price was \$20.84 for the silver; tax, \$4.16; total cost, \$25. It weighed 0.77 of an ounce. In other words, it weighed three-quarters of an ounce for \$25, gentlemen. Those are the silver prices we are dealing with today.

That shows something of the nature of the raid that the jewelers want to make on the silver monetary stock of the Treasury of the United States.

I bought a little cigarette holder, a light little thing. It is stamped "Sterling." That cigarette holder is priced at \$8.40. The tax is \$1.40, and it cost me \$8.40. It weighed 1.57 ounces, a little over an ounce and a half. At 71 cents per ounce, that is a little over a dollar, that would be turned into \$8.40.

If you want to verify what I am telling you, go down to Harris & Co. or go down to Woodward & Lothrop's and price sterling silverware in these stores. Remember, this is before the OPA went out of existence. There never has been an OPA ceiling on hollow ware or silver jewelry.

I took occasion to purchase another article, to find out what these manufacturers are doing with silver. Here is a compote, a little light affair. The price was \$18. The jeweler's price was \$15. The tax was \$3. It weighs 5.28 ounces. The cost of the silver in this tray was \$3.48. At \$1.29 the cost would be \$3.68 for the pure silver. The profit is the difference between \$18 and \$3.48, almost \$15 profit on one little article.

Now, if that is what we must sell our silver for, 71.11, when it is worth a dollar and \$1.72 in India, Alexandria, and all parts of the world, remember you are taking silver at \$1.29 every time you accept a \$1 bill or a \$5 bill or a \$10 bill in the form of silver certificates and you are giving \$1.29 for silver. Why should we let the jewelers have it at 71.11 per ounce?

The SPEAKER. The time of the gentleman from Idaho has expired.

Mr. O'NEAL. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. DIRKSEN].

Mr. DIRKSEN. Mr. Speaker, by one of those strange accidents of time and vagaries of the calendar, today, July 9, 1946, is the fiftieth anniversary of the day that William Jennings Bryan stood before the national convention in 1896. It was on that occasion, 50 years ago today, that he made that ringing, thunder-out speech that ended with that great peroration that every youngster in school committed to memory long ago.

You will remember it so well:

You shall not press upon the brow of labor this crown of thorns.

You shall not crucify mankind upon a cross of gold.

That was the great silver crusader speaking 50 years ago today, making the speech which won him the nomination.

In the intervening years the silver issue has gone down, only to be revived back in 1934 by what I regard as one of the most fallacious exercises of judgment that Congress ever committed in its whole career, when it undertook to mandate the Treasury Department to buy silver until it should be in the ratio of 3 to 1 in our monetary system; not a permissive act, but a mandatory act, and against the judgment of the Secretary of the Treasury. But, that act is still upon the books and under it we have purchased nearly 2,500,000,000 ounces of silver, much of it being a great sterile, useless hoard that is buried in the ground at West Point and up in New York, even as sterile gold is buried in the ground in Kentucky at the present time.

Now comes a proposition to show a revival of the great issue raised by Bryan in 1896, in the form of one of the most astonishing things I have ever seen in all the history of my service in Congress. Another body has used an appropriation bill as the instrumentality for giving to us an almost entirely new monetary policy. Think of it! My friend from Idaho who just preceded me has had very little to say about the bill. What is in the bill is roughly this: A change in the seigniorage ratio from what it used to be, a removal of all ceilings on the silver that we retain to allow modification of the appropriate provisions of the act of 1934, the increase in

the price of silver to 90.3 cents per ounce until June 30, 1948, and \$1.29 an ounce from June 30, 1948, and thereafter. That word "thereafter" is the important word in the Senate language: \$1.29 an ounce from June 30, 1948, and thereafter. So here through the guise of an appropriation bill they are handing to this body a complete reversal of our monetary policy that would be permanent at a time when there is no free market in silver and no free flow of silver as the result of the restrictions that stemmed from the war.

Let me point out some objections to the language that is in this bill. Let me reaffirm first of all what the gentleman from Kentucky [Mr. O'NEAL] said, that there is no objection to the conference report; it should be approved and then the amendment in disagreement should be rolled back by a great and thunderous vote to let all the world know that this House is not going to let an appropriation bill become the vehicle for a new monetary policy.

Mr. STEFAN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Briefly.

Mr. STEFAN. I wanted to ask the gentleman whether or not this formula of Bryan's was not 16 to 1?

Mr. DIRKSEN. It was 16 to 1, definitely so.

Let us look at bimetallism. The statutory price of gold is \$20.67 an ounce. We buy gold for \$35 an ounce, but that is not the statutory price. That was fixed by Executive order. One-sixteenth of \$20.67 is \$1.29. That is where they get the value of \$1.29 as a permanent value for silver. But let me refresh you and admonish you of the fact that gold is being purchased at \$35 an ounce. One-sixteenth of \$35 is \$2.19.

This may be but the first step in a new silver policy that will ultimately take it from \$1.29 to \$2.19 an ounce and completely disorganize the silver ratios everywhere in the world. What a piece of stupidity that is. And we ought to make it manifest in the way we vote on this bill that we will not go along with that sort of business.

Secondly, are we now in the guise of an appropriation bill going to establish a permanent monetary policy that involves billions of ounces of silver, which involves the fine integration and balance that develops between the monetary systems of one country and another? If so, then we should approve the Senate language; but if we have some regard for the stability of our own system, then we ought to roll it back with a deep conviction that will make it known to another body that an appropriation bill shall not become the vehicle for this kind of over-all policy.

Mr. WHITE. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. Not at this point; I am sorry. Now a word about the commercial aspect of this matter. The industrial users of silver, the producers of precision devices in which silver is employed, the silver artisans who manufacture clocks, jewelry, spoons, and silverware, are asking to keep the price in the 71-cent price range so that silver will be available and they can meet competition. Is it not an amazing thing that down in

Guadalajara in Mexico the artisan can there buy his silver at the world-market price of 35 cents an ounce, but our own artisans in New York, Rhode Island, Massachusetts, and elsewhere will now be compelled to pay 90 cents under this bill and after June 30, 1948, will be compelled to pay \$1.29 an ounce? Are we going to put that kind of competitive restriction upon the people with those fine, agile, and precise hands who work out these delicate objects of beauty and ornaments? Are you going to make it so difficult for them in a competitive market? And that is involved in this bill today. So this Senate amendment ought to be rolled back.

You will doubtless hear that this is meant in the interest of the men who with hard and horny hands go deep into the bowels of the earth and bring up the ores out of which we get lead, zinc, and then silver mainly as a byproduct. How often it has been said that this proposal to increase the price of silver is for the benefit of the men in the mines. But is it for them? Well, let us take a little look and see who is going to get the profit.

If this proposal were to go through and you make due allowance for seigniorage and brassage, it would mean, insofar as I can ascertain, an increase of 50 cents in the profit on an ounce of silver. Who is going to get that profit? That horny-handed son of toil who labors down in the dungeons of darkness to bring up the ore? I doubt it. In fact, I am reasonably sure that he will not be the beneficiary.

In 1939, which was the last normal base year, there were produced in this country 57,800,000 ounces of silver—fix that in your mind—a little less than 58,000,000 ounces. There were eight companies in the United States that produced half of that silver—eight companies that produced over 28,000,000 ounces—the American Metal Co., Anaconda, Bunker Hill & Sullivan, Federal Mining & Smelting, Kennicott, Phelps-Dodge, Sunshine, and Tintic Standard—eight companies that produced 28,000,000 ounces of silver in the last prewar normal year of 1939. If the language inserted in this bill by the Senate was approved, it would mean a 50-cents-per-ounce profit for those eight companies. That would mean in the case of the largest Company—the Sunshine—\$4,700,000 profit. For the men who go down into the bowels of the earth? Certainly not, but for those who have an interest in the company or who have an interest in silver production. Now, certainly, I shall not set myself up in the position of one who is an antagonist to those who own stock in silver mines, but I do believe we must not disrupt the whole monetary system of the country to satisfy a few people and pour 50 cents an ounce, or \$14,000,000, into the hands of these eight companies, in the guise of giving it to the workmen, allowing a better living standard to the men who bring out the ore.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. O'NEAL. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. DIRKSEN. Mr. Speaker, that canard has gone around long enough and it ought to be squelched now—that it is for those impoverished, hard-working people out there. They get so little of it. I think the man who spoke with greatest honor upon that subject—a man who was a mining engineer himself, a man who graced this House years ago, a man of character who rendered a great public service—our beloved Jim Scrugham, who went from this body to the United States Senate and then finally answered the great and eternal roll call. Jim Scrugham used to say in committee on occasions, "The myth has been developed that you have got to keep this price up because some of it is going to drip down to these humble people who go into the bowels of the earth." He said, "It is a myth that started and has been propagandized and kept alive, not by those humble people but by those who have a speculative interest in keeping the price of silver as high as possible." Moreover, the silver people have done a good job. Now, I, for one, do not begrudge them a reasonable price for silver, but what is proposed here is to establish a legislative price for silver which would be generally harmful to the welfare of the Nation as a whole.

So our responsibility today is to say to the Senate, "No; we stand by the original House position fixing the price of silver for the arts at not less than 71 cents per ounce so that these people too can operate in the markets and commerce of the world and can meet competition." The language which the House inserted in the bill originally reposes a measure of control in the Treasury and properly so, and is indeed reasonable. It is not odd that at a time like this when the word "inflation" is being bandied on lips everywhere that there should come a proposition by legislation to double the price of silver and to put money in the coffers of eight great companies and some small ones, adding by fiat legislation so much momentum to increase the inflationary force in the country? What an amazing, what an astonishing proposal it really is.

So, Mr. Speaker, we can exercise our responsibility today on this, the fiftieth anniversary of the day when the great commoner stood before a national convention in 1896 and there crusaded with might and main for bimetallism and the free and unlimited coinage of silver at a ratio of 16 to 1. We can properly commemorate this great speech and not press this crown of thorns upon the brow of labor, but roll it back with all its objectionable features that will thoroughly disorganize the delicate precision of our monetary system. Let them not use an appropriation bill as a vehicle for such a broad policy. I have taken liberties with appropriation bills myself on many occasions, but I never had the temerity to stand in the well of this House and ask you to approve something in an appropriation bill of such broad consequence as to change our whole monetary policy.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman has very ably argued the case in opposition, but there is one other aspect that I would like to ask the gentleman to make an observation about, because it is a part of the whole picture, and that is the repeal of the Silver Speculation Act. Certainly, if that ever came about it would be a bonanza for some people.

Mr. DIRKSEN. The fact is that if this sort of proposition were approved, then the next step would be to come before this body and carefully go through all these statutes that relate to silver—and oh, how many there are in this compilation—and gradually eliminate every restriction and then, of course, move into the whole field of speculation. We gave the Secretary of the Treasury the authority to license and to control the import and export and transportation of silver. But the gentlemen who prepared the language of this bill that has come over to us, and must go to conference again, were so careful to find every little item in the law and they did not miss that one either. So, among other things they are proposing here is a repeal of a restriction under which some measure of control was given to the Secretary of the Treasury so that he can no longer license and control transportation, exchange, imports, and exports.

I say to you frankly that this is one of the most astonishing things I have seen in a long, long time. So let us make our conviction deeply manifest today on the record and hold up the hands of the House conferees as they go back to conference and say that the House will not budge because of the principle that is involved.

I am not unmindful of the fact that there are marginal producers of silver who because of worked-out properties or high cost of production would derive some benefit from the pending proposal. But does it become the responsibility of the Federal Government to subsidize the production of silver. There is no emergency. It is not in the interest of the war effort. It serves no useful purpose to subsidize the production of this metal and I for one can sense no obligation to do so.

Figures have been quoted to show high prices for silver in India and Egypt. There is nothing strange about that. It is a case of keeping silver off the market and obviously the price of foreign silver goes up. But once the price is established by this bill, silver will be released and of course, handsome profits will accrue to those who speculate in silver. In a free world economy, when conditions are normal, that price will come back down to the 35-cents-per-ounce range where it has always been.

Let me therefore reaffirm my position that the House stand by its original position and reject the Senate proposal.

Mr. O'NEAL. Mr. Speaker, I yield 10 minutes to the gentleman from Colorado [Mr. HILL].

Mr. HILL. Mr. Speaker, I wish I had some of the silver-tongued oratory displayed by the gentleman from Illinois. He has forgotten this amendment in no way changes the value of silver put to

monetary use. It makes no change in that regard.

Mr. Speaker, with only a few minutes allotted to me, I am sure that the use of this time will be of great help in conveying to the House the important message that I shall try to give. Sometimes I think it might pay off if our Western States should threaten to secede from the Union. When I take a look at the map and realize that 15 Western States account for half of the area of this country, and I consider the wealth of resources that is contained in those 15 States, and when I consider the part which those resources play in the industrial activity of this country, and when I realize that those 15 Western States, and that half of the country, has only about 40 Representatives in the House out of a total of 435, then, Mr. Speaker, I really sometimes think that we should threaten to secede from the Union and let the rest of the country really begin worrying.

It is a little painful for us to realize that most of the newspapers and magazines with national circulation are published in the East, a little annoying to know that most of the paid advertising which influences editorial policy comes from the East, a little bothersome to know that most of the big broadcasting stations which influence national policy are situated in the East. But, Mr. Speaker, one of the reasons I am not in favor of Western secession—yet—is that I know that once in a while I can use the loud speaker, and I know that if my fellow Representatives of the East can only hear our western views once in a while they will really be fair even though they have outnumbered us in the House about 8 to 1.

The House will shortly be compelled to state its position in respect to the silver rider to the Treasury and Post Office Departments appropriation bill. Since this rider involves matters of considerable national importance, we can all appreciate how unfortunate it was that the House attached the original rider to this appropriation bill last January. You will recall, Mr. Speaker, how many of us protested at that time against the original and extraordinary action of the House in appending its rider to that bill. You will recall how we protested the action it received on the floor of the House. The result has been a long delay in the solution of important problems—and the possibility of much further delay.

If we had adhered to our customary procedure at that time, there would have been an opportunity for the proper hearings by the appropriate committee of the House and every Member of this body would today be adequately informed in this delicate and important matter. Every Member of this body would have had an opportunity to study the difficult problems that are at the bottom of the subject, and there would be much less influence from the unfair misrepresentations and gross distortions which have been injected into it. Every Member of the House would now be able to realize that the substitute version of the House rider which the Senate has sent back to us is much more considerate of the problems of the American manufacturer than

of the problems of the American metal miner.

The other body, however, has approached the subject of this rider in the proper judicial manner. It held extensive hearings over a period of weeks. It listened to the lengthy arguments of spokesmen for the silver-using manufacturing industry and for the silver-producing mining industry. That committee, consisting of members from mining States, members from manufacturing States, and members from States with no direct interest in the matter, gave unanimous approval to the substitute rider. The Banking and Currency Committee of that body also approved an identical bill, S. 2206, unanimously. It approved the rider without dissent. And so, Mr. Speaker, this rider now comes to us with the strongest possible endorsement. We must understand the weight of that endorsement.

Let me emphasize as strongly as I can, Mr. Speaker, that the version of this rider which was approved by the other body is really a compromise. It is the very best compromise that could be worked out by the parties at interest. It pertains very little, if at all, to our national monetary policy, or to our national silver policy if you prefer, because there is adequate authority—and adequate direction to the Treasury—in the monetary legislation now on the books to quickly bring these policies into line with today's silver actualities. This legislation was originally requested by silver-using manufacturers. It is primarily the silver-using manufacturers who have promoted it at every step of the way. And it makes an important contribution to the present difficulties of manufacturers in respect to their supplies of silver. At the same time it provides for similar correction of some of the problems of our silver-producing miners. Certainly, nothing could be fairer than that.

There is, however, a small but aggressive group which has only a limited interest in the problems of these manufacturers and which has only a colonial interest in the problems of our miners. This group is primarily a financial group with headquarters along the Atlantic coast and with its tentacles reaching out to every section of the country. It throws out its strongest poisons in the south and west of our country. It worships gold like a fatted calf without realizing that gold is primarily a product of other hemispheres and that silver is primarily a product of our Western Hemisphere, of Canada, the United States, Mexico, and Peru.

I ask the House to be on guard against this group, because this group will have no hesitation in sacrificing the legitimate requirements of our silver-using manufacturers or of our silver-producing miners to its blind hatred of silver as a monetary metal. That is what the record of this group clearly shows. It tried to use the war effort as a pretext to strike down silver from our monetary system. Again, in 1943, the Green Act was held in committee for weeks after the Senate had approved it. Its power of befuddling real issues cannot be ex-

aggerated. And so I urge the House to refuse to be diverted by the schemes of this group and to focus its attention on the real business problems which are at the heart of this legislation.

In the space of a few minutes, I can only hope to dwell upon the substance of the substitute rider in the briefest manner. First of all, it contains three principal provisions, a mining provision, a commercial provision, and an industrial provision. Two of these provisions are of primary interest to the eastern section of the country. Only one is of primary concern to the western section of the country.

Its first provision enables our western silver-producing mines to obtain 90.3 cents an ounce from the Treasury for its output during the next 2 years and \$1.29 an ounce thereafter. The 90.3 cents which our miners will receive during the next 2 years is considerably less than it would receive in an open market without this legislation. During this period eastern manufacturing industry will be receiving distinct benefits from that part of the legislation which pertains to it. After 2 years manufacturing industry will not need to draw upon the Treasury's stocks. It should then be able to obtain its supplies through its normal channels well below that price.

The 39-cent an ounce increase which our western mines will receive after 2 years corresponds closely with the premiums which the President, by various proclamations since 1933, and the Congress by legislation since 1939, has decided our western miners are entitled to. These proclamations and that legislation have uniformly and continuously—since the collapse of our mining industry in the early 1930's—determined that our silver-producing mines are entitled to a premium of from approximately 25 cents to 36 cents over the open market price. This premium protects our miners against the low standards of the miners in South America and Africa precisely as tariffs protect our manufacturing industry and tariffs and other devices protect our cotton and wheat growers.

The second provision of the Senate's substitute rider consists primarily of the repeal of a unique nuisance tax feature which is contained in the Silver Purchase Act of 1934. That tax feature prescribes a tax of 50 percent on profits derived from transactions in silver bullion. That tax was inserted in the act of 1934 solely in order to protect the Treasury at a time when it was about to undertake large-scale purchases of silver in the markets of the world. Today the Treasury is making no such purchases. It has made no such purchases of any consequence since 1941. It is unlikely that it will again be able to make any such purchases for some years to come, if at all. And so there is no longer any need for this provision. Only a total of \$3,300,000 of revenue has been collected from this feature in the past 11 years. Only \$25,000 was collected last year, probably less than the cost of administering it. Today there is no more excuse for this special tax of 50 percent on commercial transactions in

silver bullion than there would be for such a tax on similar transactions in cotton, wheat, rubber, copper, or other staples. Normal taxes are high enough here as elsewhere.

The third provision in the substitute silver rider permits private manufacturing industry to draw upon the Treasury's small unmonetized stocks of silver for part of its requirements during the next 2 years at 90.3 cents an ounce. This price is lower than the prices prevailing in most of the commercial silver markets of the world. It is a unique peacetime precedent which gives private manufacturing industry extraordinary benefits. Without access to the Treasury's stocks of silver, silver-consuming manufacturing industry would quickly lose much of its present prosperity. That prosperity is due to an increase in the consumption of silver in manufacture amounting to from 200 percent to 350 percent of typical pre-war periods. At the same time over 3,000 of our western silver-producing mines have been closed down.

All in all, the substitute rider is the only proposal which has received the exhaustive study of congressional committees. It is a proposal which comes to us with the overwhelming approval of the Senate. It constitutes a freely accepted compromise by all parties concerned to a difficult current problem. I trust the House will wholeheartedly approve this compromise.

Mr. O'NEAL. Mr. Speaker, I yield such time as he may desire to the gentleman from Arizona [Mr. MURDOCK].

Mr. MURDOCK. Mr. Speaker, I distinctly recall that when the bill was before the House early last February this so-called Green rider was put on the bill in the House. I objected to it then, and I object to it now. I felt then that putting this sale-of-silver provision on an appropriation bill after the House had passed the same measure as separate legislation was an unfair way of forcing it through the other body, or attempting to do so.

As it returns to us in this conference report, it is indeed different and greatly expanded in meaning as offered by the other body. As it was written into the bill last February, identical in form as it passed the House the December before, it merely continued for 2 years an act previously passed permitting the sale of silver at 71.11 cents per ounce from the Treasury to the arts and to industry, to which I have little objection, if the price could be set right.

I do not believe that we should sell silver which is valued by our Government at \$1.29 per ounce for 71.11 cents per ounce as the law previously permitted. For that reason I opposed the proposal when it came up for renewal at the first of this year. Let it be distinctly understood that I am willing for the United States Treasury to come to the aid of the reconversion effort and to the arts and industry needing silver, which is now in scarce supply, just exactly as I favored the use of unobligated Treasury silver in consumptive and nonconsumptive uses during the war to aid the war effort. However, I do maintain that following the war and now in peacetime industry

should pay the right price for this silver. It has a certain value to the United States Government, and the taxpayers of the country should not suffer loss in order that industry might receive cheap raw material in the form of Treasury silver.

(Mr. MURDOCK asked and was given permission to revise and extend his remarks.)

Mr. O'NEAL. Mr. Speaker, I yield such time as he may desire to the gentleman from Nevada [Mr. BUNKER].

(Mr. BUNKER asked and was given permission to revise and extend his remarks.)

Mr. BUNKER. Mr. Speaker, I have strong convictions on silver legislation.

Mr. Speaker, I first wish to have it clearly understood that the House of Representatives is entirely to blame for attaching the silver rider to the Treasury-Post Office appropriation bill. The Senate is in no way responsible for this ill-advised procedure.

I voted against the House amendment when the appropriation bill was under consideration in this body, and I also voted against the rule waiving a point of order against the silver rider.

This action strikes the House as a well-deserved boomerang today. The proponents of this amendment realize that the only hope of getting favorable action by the House on such a drastic provision is to, first, deny all parties interested the privilege of offering testimony before any appropriate committee of the House, and, second, to invoke a rule that will prevent fair consideration on the floor of the House.

It is gratifying to know that the United States Senate has proceeded in a fair and impartial manner by inviting testimony on both sides of this question. Representatives of the silver-using industries testified in behalf of the House rider, and representatives of the mining industry presented testimony which showed conclusively that their mines could not produce silver at the price of 71.11 cents an ounce and realize any profit therefrom.

We have today heard many appeals from members whose constituents are in need of silver for manufacturing purposes. Unfortunately, many of the statements made cannot be substantiated.

It has been indicated on the floor today that the price of silver in foreign countries is around 35 cents an ounce, and that much silver is hoarded awaiting the passage of legislation that will raise the price of foreign silver to 90.3 cents an ounce.

Mr. Speaker, silver is nowhere in the world available at even 71.11 cents an ounce, to say nothing of 35 cents an ounce. If this were not so, the manufacturing industry would not wish to buy silver from the United States Treasury "at not less than 71.11 cents per fine ounce."

The facts are that the Bank of Mexico on July 1, 1946, that silver may be made available for export "if the price reaches \$1.05 an ounce." There is no indication whatever that silver can be bought in Mexico for importation into the United States at less than that figure.

It may also be of interest to my colleagues to know that on May 27, 1946, the market price of silver in Bombay reached \$1.54 an ounce. Sales of silver in Bombay during the past 2 months have fluctuated from \$1.36 to \$1.54 an ounce. The Bombay market, highly supervised by British-controlled authorities, approximates more nearly an open market where sales of gold and silver bullion are made than any other place in the world today. Currency inflation in India is no more abnormal than it is in the United States, the exchange rate of the rupee with the dollar still remaining around 30 cents, or approximately 25 percent below parity. These Bombay silver prices which I just mentioned in terms of United States money are based upon the current official rate of exchange.

Mr. Speaker, there is a much deeper and more serious objection to establishing statutory authority for the sale of Treasury silver for industrial uses at a price less than the monetary value of \$1.29 an ounce, which has remained unchanged on the statute books of our great Government since April 2, 1792—over 154 years ago. These industrialists are intent upon establishing a precedent through legislative enactment which will permit them to purchase silver from the Treasury at less than its monetary value. This should not be done. However, I am willing to go along with the Senate in its deliberate action designed to give relief, temporarily—for a period of 2 years—to these industrialists so that their affairs may be adjusted during this period of reconversion in order to obviate the imposition of any great burden due to a violent rise in the price of silver.

It would be a most serious mistake, Mr. Speaker, if the Treasury were established as a constant source of the supply of silver for the benefit of the silver-using industries. In the first place the Treasury has never acquired any silver for industrial use. The only silver ever held by the Treasury was intended solely for monetary use. Why should the industrialists be subsidized beyond a temporary period? The Treasury should monetize all of its silver holdings for the benefit of all of the people of the United States. On the other hand, there is no objection to the sale of Treasury silver for industrial or any other use at \$1.29 an ounce, its monetary value. The Treasury now sells gold for industrial uses at its monetary value of \$35 an ounce. Does the House feel that the Treasury should be authorized to sell gold at a discount of 45 percent? The price of 71.11 cents an ounce for silver is 45 percent off its monetary value.

I wish further to point out to the House the probability that our conferees, who have not studied this question as have the Senate conferees, will be faced with the inevitable necessity of accepting the Senate amendment or possibly having to witness the defeat of this legislation. The zealous defenders of the position of the silver-using industrialists of this country will soon find themselves in the indefensible position of either having to accept the Senate amendment against the overwhelming vote of the House, or no legislation at all, and at the same time being largely responsible for the delay in

enacting appropriations for the salaries of our efficient and hard-working employees of the Treasury and Post Office Departments.

Mr. O'NEAL. Mr. Speaker, I yield 4 minutes to the gentleman from Missouri [Mr. SHORT].

Mr. SHORT. Mr. Speaker, I have neither silver mines nor silversmiths in my district, but this is a matter in which I am sure every Member of the House is interested. Certainly I would not want to see legislation passed that would throw out of employment those who work in our industrial plants in the manufacture of silver, nor would I want legislation passed that would throw out of employment the thousands of miners who work in our great West.

It seems to me the trouble is that there is a substantial disparity between industrial consumption of silver and the mine production of silver, and that disparity goes a long way back. If you will look at the record you will discover that in 1880 we consumed two and one-half million ounces of silver, while in 1945 we consumed 140,000,000 ounces of silver. In the same period of time our production of silver was reduced from 39,000,000 ounces in 1880 to 29,000,000 ounces in 1945. We are caught between a manufacturing boom on the one hand and a mining bust on the other.

The truth of the matter is that many of our silver mines shut down entirely during the war period. The mining industry, as far as silver was concerned, received no premium payments from the Government that went to the complex-ore categories. Out of a total of 4,542 lode mines in 1941 we had only 1,186 in operation in 1944. In other words, 3,356 mining enterprises completely shut down and thousands of men were thrown out of employment.

It should also be noted that domestic silver producers have received no price increase for their product since 1939 although their costs have increased from 60 to 70 percent.

I think it is bad legislative procedure to tack a rider on an appropriation bill, but that was the fault of the House. No hearings were held on this legislation by any committee of this House. It was foolishly and unfairly tacked on as a rider, and after it went to the Senate, hearings were held over there and both the proponents and opponents of the measure were heard. We will never have silver unless our producers receive the cost of production. And the American worker cannot compete with the peons and coolie slave labor of other countries.

The gentleman from Illinois spoke about silver being purchased in the world market at 35 cents an ounce. I do not know of any spot on earth where you can buy silver today for that price. At Bombay, on January 9, 1946, silver sold for \$1.10 an ounce.

At Bagdad it brought \$1.06 an ounce.

At Alexandria it brought \$1.16 an ounce.

In Iraq, \$1.11 an ounce, and as late as March, 1946, it was bringing \$1.16 an ounce in Bombay.

So if we accept the Senate figure of 90.3 cents an ounce, that is still under the world price.

Mr. Speaker, while I do not have silver mines in my district, I do have lead and zinc mines. Many of these mines are now shut down and many of my miners are out of work. They will remain unemployed until we either restore premium payments or increase the price of these ores. About 80 percent of silver produced domestically comes from mines that produce copper, lead, and zinc. Naturally, an increased price for silver would serve to stimulate the production of these other metals. These are important questions, sir, and should receive immediate consideration of the proper legislative committees of the Congress.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. O'NEAL. Mr. Speaker, I yield the balance of the time to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include in my remarks a letter addressed to the chairman of the Committee on Appropriations by the Acting Secretary of the Treasury dated June 24, explaining the Treasury's reasons for its opposition to the Senate amendment.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. The gentleman from Massachusetts is recognized for 8 minutes.

Mr. McCORMACK. Mr. Speaker, the history of the present situation and the amendments being included in the House bill is a very simple one. Some 3 years ago, as I remember, we passed legislation that would enable commercial and industrial enterprises to purchase surplus silver for such purposes from the Treasury at a price of 71.11 cents per ounce which the Treasury paid for that silver. The purpose was to help American industry. The purpose was to let many thousands of small enterprises located in at least 15 States of the Union buy silver at what the Government paid for it, which silver was not needed for monetary purposes, and to use it in the manufacture of the various things that silver is used to manufacture, and to give employment to many thousands of American workmen. I think in Massachusetts alone—none particularly are located in my district—there are anywhere from 20,000 to 30,000 employed in these industries in the southwestern part of the State. They are located in Rhode Island; they are in Connecticut; they are in Maryland; they are in 15 or more States of the Union. The purpose of that bill was simply to see that American business was able to buy silver, surplus silver, excess silver at the price that the Government paid for it.

We passed that bill 3 years ago and it expired the latter part of last year, December 31.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. REED of New York. The dental profession is vitally interested, is it not?

Mr. McCORMACK. Absolutely.

Mr. WHITE. Mr. Speaker, will the gentleman yield for a simple question?

Mr. McCORMACK. I yield.

Mr. WHITE. Could not one use the same line of reasoning with reference to selling to the jewelry trade gold we bought at \$20.67? Would not the same line of reasoning hold?

Mr. McCORMACK. No.

We passed that law 3 years ago. It expired the latter part of December. The House passed the bill renewing it last December and it was sent to the other body, but it never saw the light of day in the Senate.

In the meanwhile these hundreds if not thousands of American businesses—none of them large—employing from 500 down, but important in the economic life of our Nation and in the life of the communities in which they are located, thousands of plants and places were being stifled in the conduct of their business. There was nothing else we could do. It was a conservative act, a strengthening act. The bill we passed last December, the legislative bill extending the policy for 2 years, was tied up in the other body. We know why and I am not saying it in any criticism, but a small group can tie up a legislative bill there where they cannot very well tie up an appropriation bill. In desperation, as an extreme act of emergency, in order to have American industry continue, in order to allow them to employ help and to buy the silver which was excess as far as the Treasury was concerned, to carry on their business and give employment we had to tack this on to an appropriation bill.

And what was it? Simply the law that we had passed and the bill that we had passed last December, the legislative bill. That is all we did. I took part in it; yes. I did it for American business. I was not interested particularly for my district, but I was interested in American business. I think almost everyone knows that when I was on the Ways and Means Committee I was pretty conservative on tax matters. I certainly led more than one fight. I remember leading the fight against the so-called "third basket" when the House sustained me several years ago. I believe in fostering business. I have lots of respect for the businessman who has his money invested and who has other people's money invested. That man commands my respect because he is giving employment to people, he is sustaining and strengthening the way of life in which we believe, our system of individual initiative, our system of free enterprise.

Mr. FORAND. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Rhode Island.

Mr. FORAND. We must not lose sight of the fact that in addition to the jewelry manufacturers there are other industries interested.

Mr. McCORMACK. There are plenty of others.

Mr. FORAND. In addition to the jewelry manufacturers, you have your retail jewelers and your department stores all over the country that employ a large number of people in selling that jewelry?

Mr. McCORMACK. Yes.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Colorado.

Mr. CHENOWETH. Is it not important and highly desirable to have a happy relationship between the producers and the processors of silver and to have that happy relationship reached at an early date? Is that not what we are trying to do by this legislation? I am disappointed a compromise was not reached in the legislation.

Mr. McCORMACK. Why, of course, in answering the question from the broad angle, it is always nice to have a happy relationship exist between all groups.

Mr. CHENOWETH. These processors will not get any silver unless it is produced and we want to give an incentive to those who produce it.

Mr. McCORMACK. I will get to that later.

Mr. MICHENER. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. MICHENER. This debate seems to be concerned primarily with the manufacturer of jewelry. I do not believe there is a manufacturer of jewelry in my district, but we do manufacture parts for automobiles and air planes. I have received several telegrams taking the same position that the gentleman from Massachusetts is taking, namely, that the conference report should be agreed to.

Mr. McCORMACK. Exactly.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Kentucky.

Mr. SPENCE. May I say that the legislative bill was unanimously reported by the Committee on Banking and Currency and went through the House by unanimous consent with the approval of the Treasury.

Mr. McCORMACK. Yes.

Mr. HILL rose.

Mr. McCORMACK. I know the gentleman from Colorado facetiously talked about seceding. Of course, we know that representation here is based on population and we must not overlook the fact that many States have a much more powerful representation in the other body than they would be entitled to based upon population. I am not for changing that and I am not for my State seceding because of the fact that in the Senate each sovereign State has two United States Senators.

Mr. HILL. I am glad the gentleman paid enough attention to know what I was talking about.

Mr. McCORMACK. I knew the gentleman was speaking facetiously.

Mr. HILL. I want to ask a real question.

Mr. McCORMACK. I cannot conceive of the gentleman asking other than a real question.

Mr. HILL. I thank the gentleman. If I get the argument the gentleman is making and if I correctly understand what he said—

Mr. McCORMACK. Will the gentleman ask the question?

Mr. HILL. I cannot do it without first making a statement.

Mr. McCORMACK. I only have a few minutes left.

Mr. HILL. There is always a way for the leader on the majority side to get a few extra minutes.

Mr. McCORMACK. Not under the present legislative situation.

Mr. HILL. Did the manufacturers of silver jewelry and those using silver buy this silver at 71.11 under the Green bill? Yes or no.

Mr. McCORMACK. My understanding is they did.

Mr. HILL. Does not the gentleman know that during all this war period the price of all products has undoubtedly stiffened or increased?

Mr. McCORMACK. I know that, but certainly the price the Government paid of 71.11 is more than they would pay in a free market.

Mr. Speaker, the letter from the Acting Secretary of the Treasury addressed to the chairman of the Committee on Appropriations of the House is as follows:

JUNE 24, 1946.

HON. CLARENCE CANNON,
Chairman, Committee on Appropriations,
House of Representatives,
Washington, D. C.

MY DEAR MR. CHAIRMAN: You have requested the further views of the Treasury Department on the silver provision contained in H. R. 5452, making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, as passed by the Senate on June 21.

The Senate silver amendment authorizes the sale of silver until June 30, 1948, at 90.3 cents and thereafter at \$1.29. It would raise the price the Treasury is required to pay for newly mined domestic silver on the same sliding scale. In addition, it would repeal certain provisions of the Silver Purchase Act of 1934, including the 50-percent tax on silver transfers, and would remove the OPA ceiling on silver bullion and certain silver products.

The Senate silver amendment constitutes a major revision of the silver provisions of H. R. 5452 as passed by the House. The House-approved provisions would authorize the Treasury to sell silver for industrial purposes for 2 years at a price not less than 71.11 cents an ounce. The House version would not modify the provisions of the Silver Purchase Act of 1934 nor remove the OPA ceiling, as provided by the Senate version.

The Treasury Department has previously gone on record as favoring the principle of the provisions of the House silver amendment, and I desire to reiterate that position.

As you have already been advised, the Department's support of the provisions of the House silver amendment was based primarily on the fact that a shortage of silver for industrial use would interfere with reconversion and the maintenance of high levels of production. If the Congress should decide that Treasury silver is to be made available for industrial use only at a price of approximately 90.3 cents an ounce and that at the same time the price paid by the Treasury for newly mined domestic silver should be increased to approximately 90.3 cents an ounce, the Department would not be disposed to object. However, for the

reasons which follow, the Treasury would be strongly opposed to any legislation ultimately increasing the price paid by the Treasury for newly mined domestic silver to \$1.29 an ounce:

1. Informed opinion in silver-using industries is that should the Senate amendment become law, there would be an adequate supply of silver other than newly mined domestic silver to meet the demands of industry without driving the price to \$1.29. Accordingly, after July 1, 1948, newly mined domestic silver would all flow to the United States Treasury. It may be estimated that the annual value of such silver delivered to the mints would be between \$60,000,000 and \$100,000,000 a year. This Treasury outlay would be financed by the issue of an equal amount of silver certificates. The issue of paper money secured by silver at an artificially high value does not differ in principle or in its inflationary effect from the financing of other Government expenditures by the issue of paper money.

2. Additional silver stored in the Treasury performs no public purpose. Silver is not a monetary metal in the same sense as gold. Silver may not be exported to any other country in the settlement of international balances at a price of \$1.29 an ounce. No other government or central bank is accepting foreign silver at any fixed price. The Treasury's stock of silver is already more than adequate to meet any monetary requirements of the United States for silver.

3. The promise of a much higher price for newly mined domestic silver after July 1, 1948, will tend to disrupt both the supply and demand for silver in the period before that date. A price of \$1.29 per ounce represents an increase of 43 percent over the 90.3 cent Treasury price which would prevail for newly mined domestic silver until July 1948. One of the main purposes of the legislation now under consideration is to furnish silver which industry needs immediately. The amendment would, however, provide a strong incentive to hold back silver production in order to qualify for the higher price. Silver produced in mines in which silver is the primary product and not the byproduct of other metals might be left in the ground until the \$1.29 price is obtainable. In such silver mines the period until July 1, 1948, might be used for developmental and other work, which would result in actual production and sale only after that date.

The amount of silver now in the Treasury which might be sold under this amendment is believed to be less than 1 year's requirements of industry at the current rate of consumption. There are now 220,000,000 ounces of silver in the general fund of the Treasury, not held as backing for any silver certificates. However, 70,000,000 of this 220,000,000 are on lease to RFC and the War Department, for use in aluminum, magnesium, and atomic energy plants. Furthermore, it is believed desirable to hold 100,000,000 ounces for United States coinage purposes during the next 2 years. Accordingly, there would be only 50,000,000 ounces in the general fund which can be sold to meet industrial requirements until the leased silver is returned. Those requirements have been stated by industrial representatives to be in the neighborhood of 125,000,000 ounces a year. This small supply might encourage the speculative withholding of current production in anticipation of a rise in the market price of silver after the stock of silver which the Treasury can sell at 90.3 cents is exhausted.

It is clear from the above that industry must obtain silver from new domestic production and also from imports if production and employment in silver-using industries are not to be gravely impaired. The same speculative factors affecting domestic production and distribution would encourage the withholding of foreign silver which might be imported to meet domestic industrial requirements.

Turning to the potential demand for silver, it seems altogether likely that the prospect of a further increase in the price for silver in the near future will encourage the accumulation of large inventories and accelerated purchasing by consumers. Thus, there would be not only an artificially large demand for silver, but there would also be an artificially small supply of silver as a direct result of the provisions of the amendment as passed by the Senate. Large inventories might be accumulated by suppliers, dealers, processors, manufacturers, wholesalers, and retailers. Very few of these concerns could be prevented from taking such action by the requirement of the Senate amendment that the Secretary of the Treasury must be satisfied before he sells Treasury silver that it will be used by the immediate purchaser within 6 months after such sale.

4. A greatly enhanced market price for silver will discourage the use of silver in coinage of other countries. Confidential information available to the Department indicates that several countries which in the past have used large amounts of silver in their coinage are considering drastic changes in their coinage. Unless they can obtain adequate amounts of silver at prices which they consider reasonable, they will inevitably be forced to turn to other metals. If the market price of silver should rise to \$1.29 per ounce, the coinage of a number of countries would pass what is known as their "bullion melting point." Before the market price reaches \$1.29 it will be profitable to melt the coins of Australia, Brazil, Columbia, Egypt, Iran, and Sweden for their bullion content.

You have already been advised as to the basis for the Treasury's objections to certain other provisions of the Senate silver amendment. One of these provisions would repeal section 1805 of the Internal Revenue Code and section 3 of the Silver Purchase Act of 1934, relating to the tax on the transfer of any interest in silver bullion. I desire to emphasize that this tax does not touch the transfer of silver in the course of normal marketing transactions from the producer to the consumer, but only prevents speculation in silver bullion. If the shortage of silver for manufacturing uses has resulted in any degree from the withholding of silver bullion from the market for speculative purposes, the repeal of this tax will result in unjustifiable profits accruing to those who at the same time that they have been speculating on the price of silver have been interfering with reconversion and the maintenance of high levels of production. In addition, the repeal of this tax would provide an inducement for future speculation which could seriously interfere with the flow of silver into the industrial market.

The other provision in the Senate version of H. R. 5452 to which the Treasury is opposed exempts silver bullion and certain silver products from price control. It is the view of the Department that legislative exceptions to price control are unwise, particularly in cases such as silver bullion and certain silver products where an adequate supply to meet the demands of consumers is not assured.

In view of your request for expedition I am sending you this letter at once rather than have it wait for Secretary-designate Snyder to take office tomorrow. I am authorized, however, to state that I have shown this letter to Mr. Snyder and that he is in complete accord with the views expressed herein.

Sincerely yours,

JOSEPH J. O'CONNELL, Jr.,
Acting Secretary of the Treasury.

Mr. SPEAKER. The time of the gentleman has expired.

Mr. O'NEAL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 7: Page 25, strike out lines 8 to 21, inclusive, as follows:

"For a period of 2 years following the enactment of this act, the Secretary of the Treasury, is authorized to sell or lease for manufacturing uses, including manufacturing uses incident to reconversion and the building up of employment in industry, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, any silver held or owned by the United States at not less than 71.11 cents per fine troy ounce: *Provided*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury."

And insert in lieu thereof the following:

"(a) Subsection (b) of section 4 of the act entitled "An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised," approved July 6, 1939, is amended to read as follows:

"(b) (1) Until June 30, 1948, the Director of such mint with the consent of the owner shall deduct and retain of such silver so received 30 percent as seigniorage for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is, 70 percent, shall be coined into standard silver dollars and the same or any equal number of other standard silver dollars shall be delivered to the owner or depositor of such silver. The 30 percent of such silver so deducted shall be retained as bullion by the Treasury or coined into standard silver dollars and held or disposed of in the same manner as other bullion or silver dollars held in or belonging to the Treasury.

"(2) On and after July 1, 1948, there shall be delivered therefor in standard silver dollars or any other coin or coinage of the United States, the full monetary value of the silver so delivered, less such deductions for brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined, not to exceed the actual cost thereof: *Provided*, That such mint is satisfied the silver so delivered has been mined subsequently to June 30, 1948, from natural deposits in the United States or any place subject to the jurisdiction thereof."

"(b) The following statutes and portions of statutes are hereby repealed:

"(1) Section 1805 of the Internal Revenue Code, as amended;

"(2) Sections 6, 7, and 8, and the second proviso in section 3, of the Silver Purchase Act of 1934, approved June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).

"(c) Until June 30, 1948, the Secretary of the Treasury is authorized to sell for domestic manufacturing uses, to any person, partnership, association, or corporation, or any department of the Government, any nonmonetized silver held or owned by the United States, at a price of not less than 90.3 cents per fine troy ounce, and thereafter at a price of not less than the legal monetary value (of silver) per fine troy ounce: *Provided*, That until June 30, 1948, no such sale shall be made unless the purchaser has certified in writing, and the Secretary of the Treasury is satisfied, that such silver is to be used in domestic industry or

the arts and within a period of 6 months after any such sale: *Provided further*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury: *And provided further*, That on the consummation of such sale of silver by the Treasury to any purchaser, the purchaser shall immediately take possession of the silver so sold and by him purchased and remove the same from the Treasury, in accordance with such rules and regulations as the Secretary of the Treasury may prescribe.

"(d) Hereafter, notwithstanding the provisions of any other law, maximum prices shall not be established or maintained upon—

"(1) standard commercial bars or other forms of silver bullion, whether foreign, domestic, or Treasury;

"(2) semifabricated silver articles;

"(3) silver scrap; or

"(4) the processing of silver or silver scrap."

Mr. O'NEAL. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. WHITE. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. WHITE moves that the House recede and concur in Senate amendment No. 7.

Mr. O'NEAL. Mr. Speaker, I shall later yield 30 minutes to the gentleman from New York. I now yield myself 5 minutes.

Mr. Speaker, the main purpose of my taking the floor at this time is to try to clarify the situation so that every Member will know what he is voting on. The motion made by the chairman of the subcommittee, acting upon the advice of the majority of the House conferees, was to further insist upon disagreement. We are opposed to the Senate amendment, and the motion that we made will restore the action that the House took on the bill and repudiate the amendment offered by the Senate.

As has been stated, this is rather an intricate situation. This has nothing whatsoever to do with appropriations. The Green bill, dealing with the silver question, was expiring, and it appeared that no action would be had on a pending legislative bill to prolong the life of the provisions in the Green bill; so there was put into the bill as it passed the House the provision dealing with silver, and now this highly controversial matter was further complicated by the amendments which the Senate put into the bill. It is my understanding that those provisions have been discussed by legislative committees for a long time, and probably no action could be agreed upon by legislative committees. But in this way, on an appropriation bill, dealing usually with appropriations matters, there is brought back to us a most intricate and a most controversial legislative subject. The position of the majority of the conferees on the House side was that we would stand by the House position and not attempt as an appropriating committee to solve these questions which are so intricate and so far reaching. It is my understanding that a similar bill dealing with this subject, a legislative bill, handled by

a legislative committee, has already passed the House of Representatives and that that bill today has been passed out by the Senate committee and is now on the calendar in the Senate awaiting action. They have had hearings. They have gone into the matter carefully, and the Senate and the House have the benefit of all the discussions and all the hearings and all of the information that a legislative committee should have. We had no hearings, as far as I know, and the Senate had no hearings on the provisions of the Senate amendment, and yet on this most delicate subject, of such far reaching importance, we are called upon to vote today whether or not we will adopt the Senate amendments, or any part of them. It seemed very wise to the House conferees that we should not do that. The only sensible way to act, it seemed to the House conferees, was to await the action of some legislative committee and not attempt to solve a question like that in an appropriation bill. We were sustained further in the position that we are taking by the fact that the Treasury Department sent a letter, which was put in the RECORD a few moments ago by the majority leader, the gentleman from Massachusetts [Mr. McCORMACK], in which it objected to the Senate amendment.

In fairness to all concerned, it may be necessary to have some inducement in order to have silver sufficient to meet our purposes, maybe an increase in price, but your committee is not willing in this matter to take responsibility for it. There are other possibilities. It is highly probable that there may be a great deal of silver being hoarded, being held back in this country and all over the world awaiting an increase in price such as you are asked to provide here. There may be vast hoards of it. Also, when this transaction tax goes off, if the Senate amendments were adopted you would increase the profit by 100 percent.

It seems clear to me that since this is a most difficult subject to handle even by a legislative committee, and so far reaching, as explained by the gentleman from Illinois, it is certainly not logical for this Appropriations Committee to recommend to you that you accept the Senate amendments or alter the position of the House. I trust that when the motion to recede and concur offered by the gentleman from Idaho is voted on, the House will vote "no"; and that when the original motion made by the chairman of the subcommittee that we stand by the House position is voted on, it will be supported by an overwhelming majority of the Members of the House.

Mr. TABER. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho [Mr. DWORSHAK].

Mr. DWORSHAK. Mr. Speaker, a lot of facts have not been presented to the House for the consideration of the Members during the debate on this amendment. You probably recall that, when the Treasury appropriation bill was before this body, we had a most peculiar rule, waiving all points of order. I opposed that rule then, and I am opposed to it now. The House is facing this situation because you did not listen to those

who were opposed to attaching legislation to an appropriation bill.

There is criticism because the other body has attached a rider to this bill. Who set the precedent? Did not this House attach the so-called Green bill to the Treasury appropriation bill? We are getting the logical results of our indiscreet action.

It is said no hearings were held by the House. Of course no hearings were held, because the proper legislative committee of this body should have had supervision over this particular legislation. The other body, in the consideration of this appropriation bill, did hold extensive hearings. Yet I believe the only sane solution would have been to refer this to the proper legislative committee. I want to impress upon the Members that, when we adopted that peculiar rule, waiving all points of order, we asked for exactly the parliamentary situation which faces this body at the present time.

There are three reasons for this current silver shortage: First, an increased demand in foreign countries, particularly in the Orient, because they do not like and do not trust paper money; second, there has been a 200-percent increase in the industrial use of silver; and third, there has been about a 50-percent decline in the domestic production of silver.

We all know that, during the war, we were willing to go along with the so-called Green bill, because it was only logical that we utilize the idle stores of silver owned by the Federal Treasury in order to stimulate the production of munitions and supplies essential to the war effort.

Why is there no silver today? The gentleman from Illinois said that the world price is about 35 cents. The gentleman knows full well that, if foreign silver were procurable at 35 cents the silver processors in the Eastern States would not want to pay 71.11 an ounce. There is no silver available in the world market at under \$1 an ounce.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. DWORSHAK. I yield briefly.

Mr. SHORT. The cost of production of silver has increased at least 70 percent during the war; is that not so?

Mr. DWORSHAK. That is true. The argument is made that, because the Treasury bought the silver for 71.11 cents per ounce, it should sell it for the same price. The argument to sell the gold at Fort Knox—now valued at \$35 an ounce—for \$20.67 an ounce, because the Treasury purchased it at this lower figure, is just as valid. My colleagues, let us be sane about this. As I said, I objected to the intrusion of legislation in considering an appropriation bill. But this body asked for it.

The present price of silver is less than the cost of production. The silver processors are willing to pay not only 71.11 cents, but 90.03 cents. They are now melting silver dollars, and paying \$1.29 an ounce for the privilege of using silver for industrial purposes.

(Mr. DWORSHAK asked and was given permission to revise and extend his remarks.)

Mr. O'NEAL. Mr. Speaker, I yield 5 minutes to the gentleman from Connecticut [Mr. KOPPLEMANN].

Mr. KOPPLEMANN. Last evening in a restaurant I frequently patronize here in Washington, the owner said to me, "Commencing tomorrow, I will have plenty of steaks and meat for you." I said, "How about the price?" "Oh," he said, "the price is going way up. I will have meat at a higher price." That sums up the situation that prevails in this country now.

It is the same with silver. There is silver in spite of everything that has been said. It is being hoarded, and it is being held up for higher prices. About that, no one can have any doubt. It is true that we are attempting legislation in an appropriation bill. I am not in favor of that at all. It is my hope that just as soon as the preferential motion is voted down, the motion to stand by our action will be voted favorably and the conferees will agree to release the surplus silver that now is held by our Government at West Point. Do you know we have 225,000,000 ounces of silver owned by this country in excess of what it needs to back up the silver certificates? Just as soon as those who control the mining industry of this country discover that they have a bit of competition from the silver now held by the Government, they in turn will let go of some of the silver they have hoarded. They will start the machinery of mining. We will get more silver. I think in these days when so much is being said by everyone on both sides throughout the country that inflation is a grave danger to the economy of America, it would be a great mistake on our part to increase the price of any commodity needlessly.

Now, it is my proposal that the question of the price of silver be not handled by an appropriation committee; that it be referred to the United States Treasury. They have experts; they have career men, who know this question thoroughly. They know world conditions, and they know American conditions. They can bargain with the mine owners and arrive at a fair price to all concerned—the mine owner and the manufacturer. But beyond and above all, they will take into consideration the consumer who is not mentioned in these debates at all—the fellow that we are supposed to represent. I have confidence in the Treasury Department being able to arrive at a price that will produce the silver needed at a satisfactory rate to the manufacturer and a chance for the people to buy silver goods at prices they can afford. This must be our aim.

The SPEAKER. The time of the gentleman from Connecticut [Mr. KOPPLEMANN] has expired.

Mr. TABER. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MARTIN].

(Mr. MARTIN of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. MARTIN of Massachusetts. Mr. Speaker, I rise in support of the motion offered by the gentleman from Kentucky

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued July 11, 1946
For actions of July 10, 1946
79th-2nd, No. 134

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HIGHLIGHTS: Senate debated price-control bill; agreed to Eastland amendment to prohibit cottonseed and soybean ceilings, agreed to Wherry amendment to prohibit milk ceilings, and rejected Reed amendment to prohibit grain ceilings. Senate committee reported various personnel bills relating to retirement, educational leave, appointment of veterans, and efficiency ratings. House Rules Committee cleared bill to authorize 3 additional Assistant Secretaries of Commerce. Rep. Johnson (Okla.) criticized USDA's requirement of sale of $\frac{1}{2}$ of all wheat delivered to elevators to the Government.

SENATE

1. PRICE CONTROL. Continued debate on H. J. Res. 371, to continue and amend the Price Control and Stabilization Acts (pp. 8661-83, 8691-711). Agreed, 42-34, to the revised Eastland amendment to prohibit price ceilings on cottonseed or soybeans or their products (pp. 8664-6). Agreed, 51-27, to the Wherry amendment prohibiting ceilings on milk or its food or feed products (pp. 8666-82). Rejected, 32-40, the Reed amendment to prohibit ceilings on most grains and their products (pp. 8682-3, 8691-705).
2. PERSONNEL. The Civil Service Committee reported the following bills (p. 8657):
 - S. 1835, to provide for uniform administration of efficiency ratings; with amendment (S. Rept. 1677).
 - S. 2183, to authorize department heads to grant educational leave with pay to scientific, technical, and professional employees, not to exceed 18 months in any 10-year period; with amendments (S. Rept. 1676).
 - S. 2366, to provide for immediate retirement of employees separated through no fault of their own after 25 years of service if they are at least 55; with amendment (S. Rept. 1678).
 - H. R. 5831, to include department heads under the Civil Service Retirement Act; without amendment (S. Rept. 1679).
 - H. R. 6673, to amend the Civil Service Retirement Act to permit an employee to draw both a retirement annuity and compensation under the Employees' Compensation Act for a family member killed in Government service; without amendment (S. Rept. 1680).
 - H. R. 6903, to provide benefits for certain employees who are veterans of World War II and lost opportunity for probational appointment because of their service in the armed forces; without amendment (S. Rept. 1681).

3. PERSONNEL; ECONOMY. Chairman Byrd of the Joint Committee on Reduction of Non-essential Federal Expenditures inserted and discussed the Committee's monthly personnel report (pp. 8658-9).
4. TREASURY-POST OFFICE APPROPRIATION BILL. Agreed to a further conference report on this bill, H. R. 5452, and conferees were appointed for still a further conference (pp. 8683-91).
5. FARM CREDIT. Sen. Capper inserted an American Veterans' Committee letter favoring the Senate version of H. R. 5991, the Cooley bill (pp. 8656-7).
6. WATER COMPACT. The Irrigation and Reclamation Committee reported without amendment H. R. 4701, to authorize Utah, Idaho, and Wyoming to enter into a compact for division of Bear River waters (S. Rept. 1697)(p. 8657).
7. RECLAMATION. Received from the President a \$1,086,000 supplemental appropriation estimate for the Bureau of Reclamation (S. Doc. 237)(p. 8656). To Appropriations Committee. (p. 8656.)
The Irrigation and Reclamation Committee reported with amendment S. 2372, to authorize construction of the Lewiston Orchards project, Idaho (S. Rept. 1675)(p. 8657).
8. RIVERS AND HARBORS. Agreed to the conference report on H. R. 6407, authorizing construction, repair, and preservation of certain public works on rivers and harbors (p. 8663). This bill will now be sent to the President.
9. WILDLIFE CONSERVATION. The Agriculture and Forestry Committee reported with amendment H. R. 6097, to make various amendments to the Pittman-Robertson Wildlife Conservation Act, including a provision for consultation with the Fish and Wildlife Service when a Federal agency is to impound or otherwise control waters (S. Rept. 1698)(p. 8657).
10. FEDERAL-AID INVESTIGATION. S. Res. 300 (see Digest 132). The committee report includes financial data on Extension, ARA, FS, SCS, and school-lunch-programs; indicates that the Education and Labor Committee, which would make the investigation, will "consult with" the Agriculture and Forestry Committee, but says the committee would not investigate programs under the jurisdiction of other committees; and includes a series of questions which the committee intends to ask regarding "regional development" and "sound fiscal policy."

Excerpts from the report:

"The present situation on Federal grants to State and local governments is extremely chaotic...one Federal-aid program has been piled on top of another--without sufficient effort to appraise the general effect...or to achieve coordination among the innumerable Federal-aid programs...In some cases the purpose of Federal aid has been to help finance a higher level of essential public works or public services. But it is often charged that the effect has been merely to substitute Federal funds for local funds, with no increase whatsoever in the level of public works or services. In other cases the purpose has been to assist States who are most in need of financial aid. But the effect, it has been said, has been to provide the most money for those States who are least in need. In most cases, it has been the purpose of the Federal Government to provide Federal aid on a basis that will keep administrative red tape at a minimum. But the net effect of our present Federal-aid program, which has simply 'grown like Topsy,' is a wild morass of red tape and administrative confusion...The committee believes that the study and investigation of this prob-

Mr. YOUNG. Is it not a fact that grain prices are lower now than if labor prices were included in computing the parity price?

Mr. REED. If labor costs were added in the parity formula, the parity price of grain would be above the present price.

TREASURY AND POST OFFICE APPROPRIATIONS—CONFERENCE REPORT

Mr. McKELLAR submitted the following conference report:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 32 and 33.

That the House recede from its disagreement to the amendments of the Senate numbered 5, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 35, and 36, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$432,000"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$89,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$177,050"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$196,200"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$65,300,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$324,900"; and the Senate agree to the same.

Amendment numbered 25: That the House recede from its disagreement to the amendment of the Senate numbered 25, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$952,300"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$762,000"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$1,161,750"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$644,900"; and the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$158,750"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$380,500"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$522,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$6,192,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$37,110,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows: In lieu of the sum proposed insert "\$6,723,750"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 7, 39, and 40.

KENNETH McKELLAR,
CARL HAYDEN,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, Jr.,
CHAN GURNEY,
CLYDE M. REED,

Managers on the Part of the Senate.

EMMET O'NEAL,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
HERMAN P. KOPPLEMANN,
JOHN TABER,
FRANK B. KEEFE,

Managers on the Part of the House.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

Mr. McKELLAR. Mr. President, every Senator knows that the only matter now involved is the silver question. The House has disagreed to the Senate amendment on that subject. I wish to make a motion. The motion has been prepared by the Parliamentarian, and it is in order, and I think it is the best way to settle this very controversial question. It does not accomplish as much as the Senator from Nevada [Mr. McCARRAN] asks on the one side, and not as much as the Senator from Rhode Island [Mr. GREEN] asks on the other. As the Senator from Arizona [Mr. HAYDEN] and I have agreed—and I hope other Senators will agree with us—it is a fair, moderate compromise.

The Senator from Arizona has engineered the compromise, and, as we all know, he is not only a good compromiser, but he is a good legislator, and I have the greatest confidence in him.

Mr. BARKLEY. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. I hope the fate of this fair, moderate compromise will not

be the same as that of some other fair, moderate compromises in legislation to which my attention has been attracted. [Laughter.]

Mr. McKELLAR. I can understand the Senator's views on that subject perfectly, as I believe I participated in one of those compromises with him. It did not work out. I hope this one will work out better.

The motion prepared by our parliamentarian, and which is the motion I make in regard to this very controversial matter, is as follows:

I move that the conferees on the part of the Senate be instructed to agree to an amendment to Senate amendment No. 7 which will omit the matter proposed to be inserted by said amendment, and restore the matter stricken out by the Senate amendment, and in lieu of the "71.11 cents" specified in the matter so restored, insert "90.3 cents"; and at the end of the matter so restored insert a colon and the following: "Provided further, That hereafter each United States coinage mint shall continue to receive for coinage silver mined from natural deposits in the United States or any place subject to the jurisdiction thereof, as provided in the act of July 6, 1939 (Public Law 165, 76th Cong.), except that the seigniorage to be deducted shall be 30 percent instead of 45 percent as provided in section 4 (b) of said act."

If that motion is agreed to it will mean simply that the price of silver will be fixed at 90.3 cents instead of 71.11 cents.

I desire to tell the Senate the predicament we are in respecting this bill. Ordinarily Treasury and Post Office appropriation bills are not difficult to have passed and agreed upon in conference, but this amendment has kept us from final action up to the present time. By the 15th of July the employees of these two departments will have to go without their pay unless the measure is finally acted upon before that date, and it looks now like they will go without their pay unless we come to some conclusion. It is not a proper thing for us not to come to a conclusion on this matter. I think we should finally determine the question, and the best way to determine it is along the line that has been suggested. The Senator from Arizona has said that this is the best way to determine the question, and I have great confidence in his judgment, especially respecting anything pertaining to the great West. He is very level-headed respecting such matters and all others. I hope the Senate will agree to the motion.

As I understand, a preferential motion is to be made. I hope the preferential motion will be voted down, and that we can take definite action. I believe that if the present law is continued in force there will not be as much silver produced, and the price will be higher than it will be if we adopt the proposed increase from 71.11 cents to 90.3 cents. I hope very much the motion I have made will be agreed to.

Mr. WHITE. Mr. President, I do not want to interfere with any Senator who may have the floor, but if I secure the floor I wish to suggest the absence of a quorum.

Mr. McKELLAR. I yield the floor.

Mr. GREEN. Mr. President, I desire to make a preferential motion, and before I do so I wish to make a word of explanation as to why I make that

motion. I regret very much to find myself not in entire agreement with the President of the Senate who, as chairman of the conference committee, has presented the report and made a motion.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. McKELLAR. I omitted to ask that the conference report be agreed to. That should be done first, and after that, the preferential motion can be made.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The question is on agreeing to the conference report.

Mr. WHITE. Mr. President, before there is any agreement—

Mr. McKELLAR. This is not a question of an agreement. The question is on the adoption of the conference report.

Mr. WHITE. Before the question is put on the adoption of the conference report I should like to make a point of no quorum.

Mr. McKELLAR. Very well.

Mr. WHITE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Gurney	Myers
Andrews	Hart	O'Daniel
Austin	Hawkes	O'Mahoney
Ball	Hayden	Overton
Barkley	Hill	Pepper
Bridges	Hoey	Reed
Briggs	Huffman	Revercomb
Brooks	Johnson, Colo.	Robertson
Buck	Johnston, S. C.	Russell
Burch	Kilgore	Smith
Bushfield	Knowland	Stanfill
Byrd	La Follette	Stewart
Capehart	Langer	Swift
Capper	Lucas	Taft
Carville	McCarran	Taylor
Chavez	McClellan	Thomas, Okla.
Cordon	McKellar	Thomas, Utah
Donnell	McMahon	Tobey
Downey	Magnuson	Tunnell
Eastland	Maybank	Wagner
Ferguson	Mead	Walsh
Fulbright	Millikin	Wherry
George	Mitchell	White
Gerry	Moore	Wiley
Gossett	Morse	Willis
Green	Murdock	Wilson
Guffey	Murray	Young

The PRESIDING OFFICER. Eighty-one Senators having answered to their names, a quorum is present.

Mr. GREEN. Mr. President, I desire briefly to state what the parliamentary situation is. Last October I introduced a bill which, in effect, would have continued the existing law. The law had previously been continued for 2 years, and after that time it had been continued for a year, and the time of the second continuance expired last December 31. Since then there has been no law on the subject. No action was taken on the bill I introduced until recently. Despairing of any action, the House, when it was considering the Treasury and Post Office appropriation bill, inserted that so-called Green bill as a part of the appropriation bill. The appropriation bill came over to the Senate with the so-called Green bill in it. In the Senate committee to which the appropriation bill was referred an amendment was added, and the measure, as it was re-

ported from the committee, was approved by the Senate. Conferees on the part of the Senate were appointed and met with conferees on the part of the House. The House conferees refused to agree to the Senate amendment, and took the matter back to the House. Yesterday for the second time the House affirmed its position by a vote of 266 to 22. The House has consistently conceded almost everything to the Senate in connection with this conference. The Senate receded on two items. The House receded on 19 items, and on three there was disagreement. Yesterday the House took up the three matters in disagreement. It conceded two, but remained firm on the third, which is the matter now before us, by the vote which I stated, 266 to 22. Therefore it seems to me that in consideration of the attitude of the House, both in conceding so much to the Senate and in standing firm on this matter, we should recede from our position. The proper way for us to recede is to recede from the amendment which the Senate added to the appropriation bill. I therefore move that the Senate recede its amendment.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The Senator's motion will be in order after the conference report is disposed of.

Mr. McKELLAR. I ask that the conference report be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 5452, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
July 9, 1946.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 39 and 40 to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, and concur therein; and

That the House insist upon its disagreement to the amendment of the Senate numbered 7 to said bill.

Mr. HAYDEN. Mr. President, will the Senator from Rhode Island yield to me?

Mr. GREEN. I yield.

Mr. HAYDEN. I am sure that the Senator from Rhode Island wishes to state the situation before the Senate exactly as it now exists.

The Senator stated that the House had rejected by a very large vote the proposal which the Senator from Tennessee had offered. The fact is that the House had no choice, because a Member of the House exercised the same privilege which the Senator from Rhode Island is exercising. He made a preferential motion that the House concur in the entire Senate amendment, which included a price of \$1.29 an ounce for silver. The House had to vote on the question that way, and no other way. There was no 90-cent proposal anywhere in it; and for that reason, the House being opposed to a price of \$1.29, as are a great many Sen-

ators, the vote was overwhelmingly opposed to it.

The proposal now is to abandon entirely the price of \$1.29 for silver, and to fix the price at 90.3 cents, which was in the original compromise. That is what we are now asking be sent back to conference, with instructions to the conferees.

In other words if the motion of the Senator from Tennessee is agreed to, the Senate will completely abandon any idea of a price of \$1.29 for silver. It will merely say that the price, now fixed at 71.11 cents, shall be 90.3 cents. That is an increase of about 26½ percent.

The Treasury Department has expressed approval of that price. I have a letter addressed to the Senator from Tennessee by Secretary Vinson, dated May 2, in which he states:

If the Congress should decide that Treasury silver is to be made available for industrial use only at a price of approximately 90.3 cents an ounce, and at the same time that the price paid by the Treasury for newly mined domestic silver should be increased to approximately 90.3 cents an ounce, the Department would not be disposed to object. On the other hand, the Treasury would be strongly opposed to any legislation ultimately increasing the price paid by the Treasury for newly mined silver to \$1.29.

We are doing exactly what the Secretary of the Treasury indicated in that letter. We are not asking for \$1.29. We are saying that silver shall be sold from the Treasury at 90.3 cents an ounce, and that the American producer of silver shall receive 90.3 cents an ounce. That is all there is to the proposal.

Mr. WALSH. Mr. President, will the Senator from Rhode Island yield to me so that I may ask the Senator from Arizona a question?

Mr. GREEN. I should like first to correct the statement made by the Senator from Arizona.

The Senator from Arizona intimated that I made some misstatement. I made no misstatement. Nothing that I said showed that I made any misstatement. I made no reference to any figures as to the price of silver.

What I stated was that the appropriation bill included the measure originally introduced by me, which in substance continued the existing law, which expired last December 31; and furthermore that the House conferees were instructed to insist on that when this question was brought up in conference, and the House conferees did insist. They took the question back to the House, and yesterday the House again instructed them to insist. That was done by a vote of 226 to 22.

I have no doubt that it is true, since my friend and colleague has said so, that the Secretary of the Treasury has written a letter to the effect that he would accept the new figure. However, I invite the attention of the Senate to the fact that at the time the original Green bill was before the Committee on Banking and Currency he also stated that he was in favor of the bill as introduced, in which the price was 71.11 cents. Furthermore, he has written the corresponding committee in the House to the same effect.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GREEN. I have not yet finished.

Not only the Secretary of the Treasury, but the Administrator of the Civilian Production Administration and the Administrator of the Office of Price Administration also wrote the Senate Committee on Banking and Currency to the same effect. So there is plenty of support for continuing the law which was in effect for 3 years up until last December 31. That is what the House did in its action on the appropriation bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. McKELLAR. The Senator will remember that our committee received a great deal of testimony about this matter. Jewelers and others appeared before the committee and testified that they had no objection to a price of 90 cents; and from what I heard in the committee, I did not believe that the members of the committee objected to a price of 90 cents. The principal objection was to a price of \$1.29.

For months the Senator from Arizona and I have been trying our best to obtain a general agreement to report to the Senate, and now to report in conference, a compromise agreement on a price of 90 and a fraction cents.

The Senator will recall that in the committee there was no testimony at all, so far as I am aware—and if I am incorrect I hope to be corrected—in favor of 71-cent silver. All the testimony was to the effect that the prices of everything manufactured from silver had gone up considerably, so that the Government could well afford to fix a medium price of 90 cents instead of 71 cents.

I was very hopeful that the Senator, representing a State in which there are many silverware manufacturers, would agree to a compromise of this kind. I believe that in doing so he would be representing those interests. I hope the Senator will agree to a compromise. It is the only way we shall ever get this bill passed. We are up against it. Unless we pass this bill we shall probably have hundreds of thousands of employees on our necks in a very short time. We are holding up the bill because of a difference as to the price of silver, when silver has already gone beyond the price fixed in the bill.

So it seems to me that there is no merit in the Senator's contention. I plead with the Senate as one very greatly interested in the postal employees and the Treasury employees. For many years I presided over the Committee on Post Offices and Post Roads. I have not been a member of the committee having to do with employees of the Treasury Department, but we all know that they render good service to our Government. I think they ought to be provided for. I think this bill ought to pass. The only way we can pass it, as I see it, is by a compromise between the two contending forces. This proposal is a compromise; and I appeal to Senators not to carry on the fight further, not to listen to either side, but to agree to a compromise which is fair and just. It is fair to the trade; it is fair to the consumer; it is fair to the manufac-

turer; it is fair to the people of the United States, and in my judgment it ought to be agreed to. I hope that it may be.

Mr. GREEN. Mr. President, what the Senator from Tennessee has said is true, that the principal objection was to the price of \$1.29. That price would make it absolutely impossible for the users of silver to continue in business. But, just as the principal objection was to the price of \$1.29, so the principal argument was in favor of a price of 71.11 cents. The point in between is suggested as a compromise.

The question is whether the Senate wishes to agree to such a compromise when the other proposal has been so definitely rejected by the House on two occasions. I think it would be a mistake to attempt to offer such a compromise. I am sorry for the employees who must wait for their pay. But the Senator from Tennessee should remember that if we adopt the suggestion which I make there will not be a single point of difference left between the Senate and the House, and the employees can get their pay promptly, whereas if we begin all over again and try to argue with the House on the basis of a new figure, there may be further delay. There must be some delay.

Mr. MURDOCK. Mr. President, will the Senator yield to me?

Mr. GREEN. I yield.

Mr. MURDOCK. I think it should be pointed out to the Senate in respect to the reference of the Senator to the Secretary of the Treasury that the Secretary of the Treasury was called before the Banking and Currency Committee in connection with the Green bill, which provided for the extension of the authority of the Secretary of the Treasury to sell silver at 71.1 cents per ounce. That when I began interrogating him as to the effect of the bill, he himself asked that the matter be delayed and that he be given sufficient time to look into it more carefully and ascertain with more certainty what its effects would be.

Mr. President, it is an easy thing for the Secretary of the Treasury to write a letter to a legislative committee and say that he favors a certain matter. But when the Secretary of the Treasury had called to his attention the fact that he was selling at 71.1 cents an ounce silver that belonged to the people of the United States, and that every ounce of that silver, under the law of the United States, was worth \$1.29 an ounce, which is its monetary value, fixed by statute, and when the Secretary of the Treasury was asked whether he thought it was good business for him to sell the people's silver at 71.1 cents an ounce, when its monetary value is \$1.29 an ounce, he seemed to qualify his previous approval of the Green bill and asked that he be given more time to look into the question. He said—and I believe the Senator from Rhode Island was there when he said it—that he wanted more time to look into the matter.

The only other word we have had from the Secretary of the Treasury, so far as I know, is contained in the letter which was read by the Senator from Arizona. In that letter the Secretary stated that he had no objection to a price of 90.3 cents an ounce. As has been suggested

by the Senator from Tennessee, the price of 90.3 cents is a compromise price.

Mr. President, I point out to the Senate that the silver which is being sold is not the property of the silver-producing States. It belongs to all the people of the United States, to the people of Rhode Island, the people of Texas, the people of Maine, the people of Tennessee, the people of all the States; and under the laws of the United States that silver is worth \$1.29 an ounce. When this country is borrowing by the hundreds of millions of dollars every day in the week and is paying interest on that money and the vast national debt, then I ask the Senators here whether, as a strict matter of business, the Secretary of the Treasury should be selling the people's money at 71.1 cents an ounce, when it is worth \$1.29, and at the same time be paying interest on borrowed money while the people's statutory silver money lies idle in the Treasury because of a failure to use it.

Mr. President, I have no objection to a fair and reasonable compromise. I know that the silver fabricating industry of the United States is important. It should not be stymied or stopped. The people who are engaged in that industry should be allowed to continue in their employment. But on the other hand, Mr. President, the people who prospect for silver, those who go into the deserts and mountains of the West, are entitled to at least the cost of production. All the evidence which was produced before the Appropriations Committee was to the effect that silver cannot be produced at 71.1 cents an ounce. It was pointed out that 80 percent of the silver produced in this country comes as a byproduct in the production of copper, zinc, and lead. It was emphatically called to the attention of the committee that in all the history of this Nation there never was such a shortage of zinc and lead as there is today. Mr. President, we simply cannot get silver produced by Western miners at less than the cost of production, and I do not believe the Senate of the United States can expect it.

Today we are confronted with the question whether we shall make a commodity market out of the Treasury of the United States for the advantage of the silver fabricators, or whether we shall keep it as the depository of the people's money. The silver in the Treasury is money. It belongs to all the people. It should be used for the best interests of all the people, not for the profit of just a few. I am willing, very reluctantly, to sacrifice a principle for which I have fought on this floor for a long time, namely, that the Treasury of the United States should not be converted into a commodity market. However, when the fabricators of silver tell us, "We cannot continue to exist; we cannot go on. The amount of silver being produced is not enough to keep us going, and the only place where we can find silver or get it today, in order to keep in business, is the Treasury of the United States," then, as I have stated before to the Appropriations Committee, I am willing, to save this industry, to sacrifice a principle for which I have stood,

namely, that we should not sell the people's money at below its monetary value, while we are borrowing money and paying interest on it. I am willing to sacrifice that principle in order to get silver into the hands of the fabricators. By in doing that, Mr. President, I think the compromise suggested by the Senator from Arizona [Mr. HAYDEN], and supported by the Senator from Tennessee [Mr. MCKELLAR], is the irreducible minimum that the producers should be asked to compromise on. That compromise provides for a price of 90.5 cents. The Senator from Rhode Island has stated that the House has consistently turned that down. Mr. President, the House has never had an opportunity to vote on a price of 90.5 cents an ounce. I predict today that if the House does have a chance to ratify the amendment proposed by the Senator from Arizona—namely, for a price of 90.5 cents an ounce—the House will ratify it. If and when that is done, of course silver will be available at the Treasury, and the silver fabricators may continue with their industry and business.

The Senator from Rhode Island agreed, as I understood, on the compromise which was placed in the bill as passed by the Senate. That compromise provided for a price of 90.5 cents an ounce today and a price of \$1.29 an ounce 2 years from now. Senators from the silver-producing States of the West, having in mind the dire situation of silver fabricators, are reluctantly willing, in order to arrive at a compromise, to forego the price of \$1.29. But certainly we are entitled to a reasonable compromise. We are entitled to an amount sufficient to pay the cost of production; and 90.5 cents an ounce is no more than enough to do that.

I hope the Senate will reject the motion of the Senator from Rhode Island, and will adopt the substitute offered by the Senator from Arizona.

Mr. MURDOCK subsequently said: Mr. President, I ask unanimous consent that as a part of the statement I made when the Senator from Rhode Island [Mr. GREEN] was so kind to yield to me, the report submitted by me from the Committee on Banking and Currency to accompany the silver bill, H. R. 4590, be printed in the RECORD. The report contains a considerable amount of statistics and factual data which I think important.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The Committee on Banking and Currency, to whom was referred the bill (H. R. 4590) to authorize the use by industry of silver held or owned by the United States, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendment to the text of the bill is in the nature of a substitute, the language of which is identical with S. 2206 introduced in the Senate on May 16, 1946, and now pending before your committee. S. 2206 is in turn identical with a provision which had been approved by the subcommittee of the Senate Appropriations Committee on the Treasury and Post Office Departments appropriation bill (H. R. 5452), now pending before the full Appropriations Committee. The provision agreed to by the Appropriations

Subcommittee was the result of a compromise by the parties concerned on a legislative provision incorporated in the Treasury and Post Office Departments appropriation bill which is the same in substance as H. R. 4590 as it passed the House. It would be understood of course that consideration of the bill now reported, embracing a legislative proposal within the jurisdiction of this committee, would result in striking from the Treasury and Post Office Departments appropriation bill the matter dealing with this subject.

The House Committee on Appropriations did not hold hearings on the legislative provision in the appropriation bill, and the House Rules Committee reported out a rule waiving points of order against this provision.

The Senate Committee on Appropriations held hearings on the legislative provision, when representatives of silver-using industries appeared in favor of the House provision, and representatives of silver producers appeared in opposition thereto.

Former Senator Sinclair Weeks, of Massachusetts, representing Reed & Barton Co., of Taunton, Mass., during the hearings stated that—

"We have here today those representative of various segments of the industry which use silver, and which today are in a very serious situation because silver is rapidly becoming nonexistent, as far as we are concerned" (p. 150).

Mr. Judson C. Travis, representing Handy & Harman, silver semifabricators and brokers, New York, N. Y., stated that—

"Before the war the level for the arts and industries was about 30,000,000 to 35,000,000 ounces a year, and it reached a high figure in the last year of the war; in 1945 we estimated about 140,000,000" (p. 151).

Mr. Travis continued:

"For 1946 we estimate that approximately 125,000,000 ounces of silver will be required for use in the arts and industries, divided roughly as follows: For jewelry approximately 8 percent; for silverware about 50 percent; for widespread use in general industry, including photographic materials, electrical parts and equipment, engine bearings and brazing alloys, 40 percent—I would like to mention that there has been a very pronounced expansion in the use of silver in new lines of industry. That has grown out of research and development work and also from war uses that we are very hopeful will remain as permanent uses, and we are very much concerned with those new uses because they are being cut short. We are anxious to see them supplied so they will continue to absorb silver. For dental and medicinal uses about 2 percent is used" (pp. 152-153).

He also stated:

"Since the end of 1945 when supplies from the United States Treasury were cut off, industry has had to depend upon the relatively meager quantities of silver available from domestic mining and imports from abroad. Supplies from these sources amounted to about 30 percent of the industrial needs in January, 15 percent in February, and are now running at a rate well under 10 percent of the average rate of requirements. * * *

"Under prevailing conditions, there is no reason to expect any increase in imports this year over the 50,000,000 ounces imported in 1945—in fact, the probabilities are that the amount will be somewhat less. However, this quantity of 50,000,000 ounces added to an estimated domestic production of 30,000,000 ounces, would total only 80,000,000 ounces as compared to [industrial] requirements of 125,000,000 ounces.

"Under these circumstances we can see no possibility of meeting the needs of industry and we and our customers are faced with a prolonged and serious curtailment of production and employment" (pp. 154-155).

The American National Retail Jewelers Association, New York, N. Y., estimates the industrial requirements of silver for 1946 as follows:

	Ounces
Photographic uses.....	15,000,000
Electrical uses, including mainly electrical contacts.....	10,000,000
Brazing alloys.....	10,500,000
Dental and pharmaceutical products and materials.....	1,500,000
Engine bearings, mainly aircraft.....	1,000,000
Miscellaneous industrial.....	5,000,000
Jewelry and military insignia.....	12,000,000
Silverware—sterling and plated.....	70,000,000
Total.....	125,000,000

The United States Mint reports show the domestic production for the past 5 years as follows:

	Fine ounces
1941.....	72,336,029
1942.....	56,090,855
1943.....	40,820,639
1944.....	34,374,540
1945.....	28,989,439
Total.....	232,611,502

The Office of the Director of the Mint has supplied the following summary of fine ounces of silver used in domestic coinage for the past 5 years which shows, by comparison with the preceding table, that the American production of silver has not been sufficient to meet the coinage needs since 1942.

	Fine ounces
1941.....	55,063,654
1942.....	78,932,542
1943.....	93,484,974
1944.....	75,407,760
1945.....	67,008,258
Total.....	374,897,188

The testimony reveals that the Treasury has on hand approximately 225,000,000 ounces of unallocated, nonmonetized silver, which is a part of the seigniorage silver derived by the Treasury resulting from acquisitions of silver at less than the statutory coinage price of \$1.2929 per fine ounce. (It was the practice of the Treasury from 1792 to 1873 to deduct from one-half of 1 percent to 2 percent of the silver acquired for coinage purposes; and since 1873 these deductions have ranged up to 72.8 percent on imported silver, and up to 50 percent on domestically mined silver. The total amount of seigniorage realized on silver acquired by the Treasury since the inception of the Government is \$1,594,024,691.86.)

Representatives of domestic silver producers pointed out that miners of siliceous (dry) ores whose silver production prior to World War II was approximately one-fifth of the total domestic production have had no price increase for their product since July 1, 1939; that their costs have increased from 60 to 70 percent; that a large number of their mines were shut down entirely during the war period; that they have received no premiums from the Government as have those in the complex-ore category; and that of a total of 4,542 lode mines of all classes producing silver in 1941, only 1,186 were in operation in 1944, 3,356 such mining enterprises having ceased operations because increased production costs were prohibitive.

They pointed out that 80 percent of silver produced domestically comes from mines that produce copper, lead, and zinc, and that an increased price for silver would serve to stimulate the production of these metals.

The substitute amendment is designed also to repeal (1) section 1805 of the Internal Revenue Code, as amended; and (2) sections 6, 7, and 8, and the second proviso in section 3, of the Silver Purchase Act of

1934, approved June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).

Section 6 of the Silver Purchase Act of 1934 authorizes the Secretary of the Treasury to investigate, regulate, or prohibit the acquisition, importation, exportation, or transportation of silver.

Section 7 authorizes the President to nationalize "any or all silver by whomsoever owned or possessed."

Section 8 imposes a tax of 50 percent on all profits arising from private transactions in silver, the remaining 50 percent of such profits being subject to all other income and corporation taxes. This section contains two provisos for abatement or refund of this special tax of 50 percent, which provisos no longer serve their original purposes.

These three sections were inserted in the act in order to vest in the Government of the United States the most complete freedom of action in connection with the substantial purchases of silver which the Government was about to undertake in 1934 at home and abroad.

During the course of these purchases section 6 may have served some useful purpose. It serves none today.

The nationalization of silver which took place on August 9, 1934, accomplished the intent of section 7.

It was estimated by a former Secretary of the Treasury that section 8 might possibly produce \$25,000,000 of tax revenue, instead of which it has produced a total of only \$3,300,000 in 11 years. Of this sum \$3,000,000 was produced in the first 6 years and only \$300,000 in the past 5 years. Only \$25,000 was produced last year.

Section 8 is primarily responsible for the destruction of the American commercial market in silver, which was built up in the two decades following World War I to a point where it transacted a volume of commercial business equal to that of London. The destruction of this American market restored to London the commercial supremacy in silver which London previously lost to us.

The advantages that will accrue from the repeal of this provision to the many producers, refiners, distributors, bankers, and manufacturers are substantial. Of paramount importance, however, is the enhancement that the restoration of this commercial market will lend to our present unchallengeable position in silver, securing not only our rightful monetary and industrial position but our commercial preeminence in silver as well.

This substitute amendment attempts to compromise the views of the producers and consumers of silver and protect the rights of the American taxpayers in disposing of a limited amount of Treasury silver at not less than 90.3 cents per fine ounce, and, at the same time, stabilizes the Treasury buying price of silver at its statutory, monetary price of \$1.29 per fine ounce beginning on July 1, 1948, which should provide ample time for any adjustment necessary to be made by the silver-using industries.

No testimony offered seems to substantiate a world price for silver other than the monetary price of \$1.29 an ounce within the United States, according to silver producers. However, the chairman of the House Committee on Coinage, Weights, and Measures stated:

"We find that the bullion value of silver is considerably above a dollar per ounce as disclosed by the following reports obtained from these Government departments:

"Foreign silver prices

	Per ounce
"As reported by Department of Commerce:	
Bombay, Jan. 9, 1946.....	\$1.10
Baghdad, September 1945.....	1.06

As reported by Federal Reserve System in Washington:	Per ounce
Greece.....	(1)
Argentina.....	(1)
Chile.....	(1)
Alexandria, Feb. 4, 1946.....	\$1.16
Bombay, Feb. 7, 1946.....	1.16
Iraq, September 1945 (bwt), \$1.03.....	1.11
As reported by U. S. Treasury: Bombay, March 1946.....	1.16"

¹ No active market.

NOTE.—No silver quotation reports from other countries.

On April 30, 1946, the price of silver in the Bombay bullion market reached \$1.33 an ounce (Financial Times, London, May 1, 1946).

The above information indicates that world trends show a decided price increase in silver, and that this metal is in considerable demand both for monetary and industrial uses.

Production costs in the United States have increased so that actual production has fallen from 72,000,000 ounces a year in 1937 to 29,000,000 ounces in 1945. The January 1946 production rate was 15 percent below the monthly average for 1945 and 30 percent below that for 1944 (U. S. Bureau of Mines release of March 14, 1946).

From 1931 to 1940 the production of domestically mined silver averaged 50,000,000 ounces annually, and during the same period the industrial consumption of silver in the United States averaged 22,000,000 ounces annually. From 1941 through 1945 industrial consumption averaged 116,000,000 ounces annually, whereas the domestic production averaged 46,000,000 ounces annually. Obviously a price increase is necessary to encourage greater production of silver from low-grade marginal mines and to provide an incentive for more development of and prospecting for new ore bodies. The consumers desire to purchase Treasury silver at the price of 71.11 cents per fine ounce, established on July 1, 1939, and the producers desire to receive \$1.29 an ounce for their silver. The committee, in an effort to meet the demands of the consumers for Treasury silver and at the same time assist producers to meet increased costs, recommend to the Senate a compromise figure of 90.3 cents per fine ounce as both the Treasury buying and selling price effective from the date of the passage of this act until June 30, 1948, and \$1.29 per fine ounce thereafter.

The temporary price of 90.3 cents per fine ounce stipulated in this substitute amendment represents a compromise for both producer and consumer. This price is approximately 30 percent above the current price of 71.11 cents an ounce and is also 30 percent below \$1.29 an ounce, the monetary price. If enacted into law this compromise price will provide a seigniorage of 30 percent, which will accrue to the Treasury, or approximately 39 cents an ounce, and will enable the consumers to purchase silver from the Treasury at a price substantially less than the average commercial price of silver currently quoted in various parts of the world.

Silver users advocate the exclusion of silver material, with the exception of that contained in finished products, from Maximum Price Regulations 198 dated June 1, 1944. They further advocate the use of the same language as that used when it was put under price control.

Subsection (d) of the proposed substitute removes from price control silver of all kinds in the various forms in which it is used preparatory to processing into finished goods. This provision will in the opinion of the New England Manufacturing Jewelers' and Silversmiths' Association allow silver in these forms to flow rapidly into the plants using them as soon as this legislation is enacted without the delays that normally would

be incident to administrative action by OPA to accomplish the same purpose.

With few exceptions silver goods are subject to the current luxury tax of 20 percent. Neither such silver merchandise nor the silver from which it is manufactured have any bearing upon the cost-of-living index. Removal of price control from these items will therefore not be reflected in the general cost of living.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

Mr. GREEN. Mr. President, the Senator from Utah and other Senators have argued as though this House language would limit the price of silver to 71.11 cents an ounce. However, the amendment would do nothing of the sort. Let me read it:

For a period of 2 years following the enactment of this act, the Secretary of the Treasury is authorized to sell or lease for manufacturing uses, including manufacturing uses incident to reconversion and the building up of employment in industry, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, any silver held or owned by the United States at not less than 71.11 cents per fine troy ounce; *Provided*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

So the only limitation put upon the discretion of the Secretary of the Treasury in authorizing such sale is that he cannot sell it for less than 71.11 cents an ounce. That is a floor below which he cannot go. However, there is no ceiling. If, as has been intimated, the Secretary of the Treasury wishes to sell silver and approves the sale of silver at 90 cents an ounce, he can do so, under the House language.

Then why come to a disagreement with the House on this matter? The Secretary of the Treasury can do that if the existing conditions indicate that such action is desirable. He can do that even if he does not find it necessary to be done, because he can dictate the terms and the time when it shall be done.

The Senator from Utah has also discussed monetary values and commercial values. If anyone believes that it is dishonest for the United States of America to sell silver for less than its monetary value, then it is also dishonest to sell it at 90 cents an ounce—in fact, almost as dishonest as it was to sell silver at 71.11 cents an ounce, if there can be any discrimination as between various degrees of dishonesty. I believe that, but very few Senators will agree that the monetary value of silver at \$1.29 is an arbitrary value. We could put a value of \$2.50, \$5, or \$10, on any piece of metal and say that it represented its monetary value.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GREEN. Mr. President, I do not care to engage in a discussion of the merits. I merely wish to discuss the bill as it came from the other House, and

endeavor to show how little the Senate would concede to the other House if it agreed to this language and waived the language which we put in when the bill was before the Senate for consideration.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GREEN. I yield.

Mr. TAFT. As a matter of information, why cannot the silver manufacturers buy silver throughout the world?

Mr. GREEN. I believe the real reason is that, in view of the anticipated possible price of \$1.29, everyone who is in possession of silver is hoarding it. Both the Nation and the individuals are hoarding silver. The silver-using industries believe that if the prospect of \$1.29 is not left hanging in the air the persons who are hoarding silver will bring it out of hiding. There are already 225,000,000 ounces of silver in the United States.

Mr. TAFT. Does the OPA permit the American silver manufacturers to pay any price for silver which they may wish to pay throughout the world?

Mr. GREEN. That is a separate proposition.

Mr. TAFT. I should like to know as a matter of information.

Mr. HAYDEN. Mr. President, I may answer the question. The OPA has, of course, fixed a ceiling.

Mr. TAFT. The ceiling on foreign silver is about 71 cents, is it not?

Mr. HAYDEN. Yes.

Mr. TAFT. Would the effect of the compromise be to increase the price of silver?

Mr. HAYDEN. Yes; it would have that effect.

Mr. TAFT. So we are back again on the subject of price control, are we not?

Mr. HAYDEN. I hope not.

Mr. BARKLEY. Mr. President, I am surprised that some Senator has not offered an amendment to decontrol silver.

SEVERAL SENATORS. Vote! Vote!

Mr. BARKLEY. Mr. President, before the vote is taken, I wish to detain the Senate for only a short while. It might be well to state that the Green Act pertaining to silver expired last December. A measure was introduced and referred to the Committee on Banking and Currency to extend the Green Act. It was advocated very largely by jewelers and other silver fabricators throughout the United States.

Mr. GREEN. Mr. President, will the Senator permit an interruption?

Mr. BARKLEY. Yes.

Mr. GREEN. I have noticed that some Senators who are opposed to this provision always speak of jewelers as users of silver. The jewelers are unable to use eight per cent. of the available silver. Most of it is used by the photo-electric industry, the moving picture industry, silverware manufacturers, and others. I really feel that I should make that statement.

Mr. BARKLEY. I used the word "jewelers" because that word applies to merchants who deal not only in jewelry, strictly speaking, but in silverware of all kinds.

As a member of the Committee on Banking and Currency I received many letters and telegrams, as I am sure did other members of the committee, from

manufacturers and retail dealers in silverware all over the country. They urged the extension of the Green Act.

I may be in error, but I believe the bill extending the act was referred to a subcommittee of the Committee on Banking and Currency. If it was not referred to a special subcommittee it was referred to a standing subcommittee. At any rate, it became obvious for many reasons, Mr. President, that it would be difficult to obtain an extension of the Green Act. I believe that that statement explains why this matter got into the appropriation bill. There was no visible sign that an extension would be possible, and the House of Representatives put the matter into an appropriation bill.

Mr. McKELLAR. The Senator is an expert on the subject of decontrol. Is there any way by which we could decontrol the silver question out from under the appropriation bill?

Mr. BARKLEY. I do not believe there is any way at the present time, because it has become enmeshed into the appropriation bill in such a way that it is inextricably tangled up with the appropriations for certain governmental expenses. But the House incorporated the matter in the bill which it sent to the Senate, and it eventually came before the Senate. The Senate amended the House provision by providing 90.3 cents for silver for 2 years, and at the end of 2 years it was to go to \$1.29. The matter as it now stands before the Senate has become involved in such a parliamentary situation that it is necessary to obtain a compromise or it will be tangled up indefinitely. Under those circumstances I may say to my good friend, the Senator from Rhode Island, that the question now is whether there shall be a rate of 90.3 cents for 2 years, and \$1.29 thereafter, or whether the 90.3 cents rate shall take effect now and the future shall take care of itself. Is that not the situation?

Mr. GREEN. If the Senator is asking me the direct question, the answer is "No."

Mr. BARKLEY. Wherein am I mistaken?

Mr. GREEN. If the Senate will do as I have suggested, there will be no point of difference between the Senate and the other House.

Mr. BARKLEY. Of course, the Senator is correct in that respect. If the Senate should adopt his motion, there would be no difference between the two Houses, as the Senate would recede from its amendment and the House provision would automatically remain in the bill. However, in view of the history of the legislation and the difficulty of obtaining an enactment of silver legislation outside of an appropriation bill, it seems to me that the wisest thing now to do is to accept the suggestion of the Senator from Tennessee and the Senator from Arizona, permit the bill to become enacted and let the future price of silver be dealt with at a later time.

I believe, in view of the increase which has taken place in the prices of manufactured silver and silver articles with which we are all familiar, and for which we have all paid, if we have bought any silver articles lately, that the increase

from 71 cents plus to 90 cents plus is not unreasonable.

Mr. MURDOCK. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. MURDOCK. I wish to refer to evidence which was submitted by the silver-fabricating industry. Evidence submitted by the witnesses brought before the committee by the Senator from Rhode Island. For example, Mr. Judson C. Travis said that the use of silver in the United States before the war, in the arts and industries, was 30,000,000 ounces a year. We learn from those same witnesses that today the consumption of silver in the arts and industries has jumped from 30,000,000 ounces a year to 125,000,000 ounces. We also learn from the same witnesses which were produced by the Senator from Rhode Island that in January 1946 only 30 percent of the silver needs of the arts and industries was produced and imported into the United States. In February it dropped to 15 percent. Currently, the rate of production and importation of silver into the United States is only 10 percent of the amount used in the arts and industries. So the question is not, Mr. President, one entirely of the price the fabricators should pay to the Treasury. The most important question is, Where are the users of silver going to obtain silver when the Treasury silver is exhausted? How will they obtain silver in sufficient quantities if the price level is maintained so low as to discourage production? Silver fabricators need the silver miners; the miners need the fabricating industry. This is a question of mutual interest, not a question of dog eat dog. It should be settled fairly and equitably. All the miners ask is a price sufficient to pay costs and a reasonable profit. Certainly the compromise figure does no more than this.

Mr. BARKLEY. The situation which has been pointed out by the Senator from Utah has resulted in increasing almost fabulously the price of articles made from silver. If any Senator does not believe that, let him go into any jewelry store or attend an auction sale where silver articles are offered for sale, and he will find that the prices have increased anywhere from 100 percent to 200 percent or 300 percent during the past 4 years.

Mr. McKELLAR. Mr. President, what the Senator has said is entirely true. I may also say that it was stated by one of the witnesses that the increase in price was more than 200 percent. Some time ago I had an experience in the purchase of an article of silver. I wished to send a present to a granddaughter of a lady I knew when I was a young man. I paid \$35 for the present.

Mr. BARKLEY. That must have consumed almost the entire silver supply of the Nation. [Laughter.]

Mr. McKELLAR. As I recall \$35 was what I paid for the present, and someone told me later that it was so small that if I had seen it I would have been ashamed of it. I have no doubt that what I was told was true.

The price of silver has gone skyward and we are proposing only to increase

the price level from approximately 70 cents to approximately 90 cents.

Mr. President, I hope the Senate will agree to vote in favor of the compromise.

Mr. McCARRAN. Mr. President, I did not intend to take the floor on this matter and I shall hold the floor but a moment or two.

This subject has been before the Committee on Appropriations for many months, and long hearings were conducted. The facts pertaining to it are so simple that they require only a recitation. Yet, few people stop to think of the facts in this case.

When the first mint was created Congress established by law the price and value of silver in American money. That was in 1792. The established value of silver was \$1.29. That was established by pegging silver to gold, because in the Constitution of the United States gold and silver were recognized as the only moneys of America.

Today the value of silver is \$1.29. For years now those who produced silver have been penalized, because the value per ounce of silver mined by the American miner is \$1.29, but when he presents it to the mint he is penalized under the term, "seigniorage." At first seigniorage was about 2 cents. Today it is about 45 cents. That is the penalty against those who produce the very metal which is so much in demand the world over.

Mr. President, a compromise is offered today. It is not satisfactory to everyone. It is not satisfactory to those of us who know the value of silver. But in order that this appropriation bill may go through, in order that the postal clerks and the Treasury clerks may be paid, those of us who contend for the monetary value of silver are content for the time being that 90 cents shall be the price paid to the miner, when, as a matter of fact, his commodity in the money of America is worth, under the law, and has been for 150 years, \$1.29.

Although I have contended here for months that \$1.29 should be the price in the bill, I am content now to lay that aside for the time being, and only for the time being, because I do not surrender the principle, and I ask that the motion of the Senator from Rhode Island be voted down and that the motion offered by the Senator from Tennessee be sustained, so that we may go back to conference and eventually iron this entire bill out, as we will.

Mr. McKELLAR. Mr. President, I wish to call attention to the fact that the seigniorage to the Government is reduced by the proposed amendment from 45 cents to 30 cents.

Mr. McMAHON. As I understood the majority leader, he stated that if the motion of the Senator from Rhode Island were voted down, there would be no silver legislation. Is that the understanding of the Chair, or is it not a fact that if we vote to uphold the Senator from Rhode Island we thereby set the price at 71.11 cents? What is the answer to that question?

Mr. McCARRAN. Mr. President, the answer to that is that if the Senate votes down the motion made by the Senator from Rhode Island, then the motion of

the Senator from Tennessee will be before the Senate, and our desire is that that be sustained. That will make the price of silver, so far as the Senate is concerned, 90.3 cents. Then we will go back to the conference with the conferees of the House.

Mr. McMAHON. If we vote to uphold the Senator from Rhode Island we are voting for 71-cent silver, and if we vote him down we are voting for 90-cent silver. Is that a correct statement?

Mr. McCARRAN. That is correct.

Mr. MILLIKIN. Mr. President, I wish to make one or two remarks, addressed principally to my colleagues on this side of the aisle. I have kept most of my Republican colleagues rather closely informed as to the developments in connection with this silver question.

It is perfectly apparent that some want 71-cent silver, others want \$1.29 silver. It is obvious that everyone cannot be satisfied. I merely wish to say to my colleagues on this side of the aisle that in my judgment 90.3 cents is the best adjustment that can be made at the present time, taking into consideration the complexities of the problem, and I join in the recommendation that the motion of the Senator from Rhode Island [Mr. GREEN] be voted down, and that we vote up the motion of the distinguished Senator from Tennessee [Mr. McKELLAR].

Mr. BROOKS. Mr. President, I rise in support of the motion of the Senator from Rhode Island [Mr. GREEN]. I am fully cognizant of the worry we have about the employees of the Treasury Department and the Post Office Department; not receiving their pay unless this bill is promptly passed but for months the pleas of the employees numbering many thousands engaged in industries which needed silver have gone unheeded when we could not get action on the bills which were introduced. Now we have gotten action, the House has taken action twice, and we know exactly what their position is. They have said to us twice they will not accept a figure of more than 71 cents an ounce for silver. If we vote for the motion of the Senator from Rhode Island, we give up our Senate amendment, and we get a price of 71 cents, and the employees of the Treasury Department and the employees of the Post Office Department will get their pay. We will still leave the question of a higher price for the future.

Mr. McMAHON. Mr. President, will the Senator yield?

Mr. BROOKS. I yield.

Mr. McMAHON. If we sustain the Senator from Rhode Island, it will mean that the price of silver will be 71.11 cents and the people the Senator from Illinois mentioned can go to work.

Mr. BROOKS. The people in the industries that use silver can go to work, and the manufacturers can then buy necessary supply of silver at 71 cents. When we hear this great cry about borrowing money and paying interest on it, and selling a little silver at less than cost it is nothing compared to the subsidies we are paying every day at the demand of the very same people who would object to this type of subsidy.

This is an accepted practice. This has been done. The only reason why it is not being done is that it has been held up in this body. By adopting the motion of the Senator from Rhode Island the employees of the Post Office Department and of the Treasury Department employees will get their pay, and these other people, for whom some of us have been begging for months that they might have the opportunity to go back to work, will go back on the pay rolls.

Mr. CAPEHART. Mr. President, where will the fabricators and manufacturers who need the silver so badly get it? Will they buy it directly from the Government?

Mr. BROOKS. From the Treasury.

Mr. MILLIKIN. Mr. President, will the Senator from Indiana yield?

Mr. CAPEHART. I yield.

Mr. MILLIKIN. They will go directly to the Treasury, they will pay 90.3 cents an ounce for it, and they will get the number of ounces which the Treasury Department may see fit to sell, and which it feels it can sell.

Mr. CAPEHART. If we adopt the so-called Green motion, the fabricators and the manufacturers will be able to go directly to the Treasury Department and get all the silver they desire and need at 71 cents. If we adopt the so-called Appropriation Committee motion, fixing the price at 90 cents, they will always be able to go to the Treasury and get all the silver they want at 90 cents. Is not that the situation?

Mr. McCARRAN. May I answer the Senator's question?

Mr. CAPEHART. Just a moment. I am informed that if we adopt the 90-cent rate there will have to be another conference with the House. Let me put my statement this way. If we adopt the Appropriation Committee figure and the House concurs, then the manufacturers or fabricators may go to the Treasury and buy all the silver they need at 90 cents.

Mr. HAYDEN. The Senator says all they need.

Mr. CAPEHART. Just a moment. If we adopt the Green motion, they will be able to buy it at 71 cents. The position the Senator from Utah took a moment ago was that we cannot produce silver and sell it at 71 cents. Is that correct?

Mr. MURDOCK. That is correct. That is demonstrated, without any question, by the witnesses.

Mr. CAPEHART. I wish to ask another question. Why does not OPA permit the Treasury Department to sell silver at 90 cents, because under the present law, under the Green Act, the Treasury Department is permitted to sell at not less than 71 cents. Why does not the Treasury Department sell it at 90 cents now?

Mr. HAYDEN. I can explain that to the Senator. The Treasury Department has no authority to sell silver to anybody unless Congress authorizes it. It authorized it by passing the Green Act, and unless Congress gives permission to the Treasury to make a sale, the sale cannot be made.

Mr. CAPEHART. One further question.

Mr. HAYDEN. What the trade believes is that there is considerable silver in the world, and that as soon as it is known that silver can be obtained from the Treasury of the United States at a price, immediately silver will come from other places at that price.

Mr. CAPEHART. At the 90-cent price?

Mr. HAYDEN. At the 90-cent price. It is true that there is not enough silver in the Treasury to supply the needs for coinage and for industry for any great period of time. So they have to depend on the outside. But the outside world has had the idea that silver was going up to \$1.29. The trade firmly believes, however, that the moment it is known that Congress has fixed a price, silver will come in from other sources.

Mr. CAPEHART. One other question. If sufficient silver were being mined today the fabricators and manufacturers would be able to go to those who mine the silver and buy their entire needs. But I understand that sufficient silver is not being mined, because it cannot be mined at a profit at 71 cents an ounce.

Mr. HAYDEN. The record made before our committee is that there is not enough silver mined and that there has not been enough silver mined since 1942 in the United States to provide the minor coins—the dimes, the quarters, and the half dollars.

Mr. CAPEHART. Then the problem is partially due to the claptrap of the OPA.

Mr. HAYDEN. No; OPA does not have anything to do with it.

Mr. CAPEHART. They set the price.

Mr. HAYDEN. No; the OPA did not set the price. Congress set the price when it passed the Green Act, and then extended that act. The OPA simply adopted the price Congress had fixed. There has been no change in that respect. It was fixed in that way by law.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island [Mr. GREEN].

The motion was rejected.

Mr. McKELLAR. I move that the Senate insist upon its amendment No. 7, and request a further conference with the House thereon.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

Mr. McKELLAR. I now move that the conferees on the part of the Senate be instructed to agree to an amendment to Senate amendment numbered 7 which will omit the matter proposed to be inserted by said amendment, and restore the matter stricken out by the Senate amendment, and in lieu of the "71.11 cents" specified in the matter so restored, insert "90.3 cents"; and at the end of the matter so restored insert a colon and the following: "Provided further, That hereafter each United States coinage mint shall continue to receive for coinage silver mined from natural deposits in the United States or any place subject to the jurisdiction thereof, as provided in the act of July 6, 1939 (Public Law 165, 76th Cong.), except that the seigniorage to be deducted shall be 30 percent instead of 45 percent as provided in section 4 (b) of said act."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to.

The PRESIDING OFFICER. Under the motion previously agreed to, the Chair appoints Mr. McKELLAR, Mr. McCARRAN, Mr. HAYDEN, Mr. BAILEY, Mr. WHITE, Mr. GURNEY, and Mr. REED, conferees on the part of the Senate at the further conference.

Mr. McCARRAN. Mr. President, I ask that at this point in the RECORD there may be printed the Senate amendment in House bill 5452, relating to silver. The amendment appears beginning on page 25 of the bill making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

(a) Subsection (b) of section 4 of the act entitled "An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised," approved July 6, 1939, is amended to read as follows:

"(b) (1) Until June 30, 1948, the Director of such mint with the consent of the owner shall deduct and retain of such silver so received 30 percent as seigniorage for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is, 70 percent, shall be coined into standard silver dollars and the same or any equal number of other standard silver dollars shall be delivered to the owner or depositor of such silver. The 30 percent of such silver so deducted shall be retained as bullion by the Treasury or coined into standard silver dollars and held or disposed of in the same manner as other bullion or silver dollars held in or belonging to the Treasury.

"(2) On and after July 1, 1948, there shall be delivered therefor in standard silver dollars or any other coin or coinage of the United States, the full monetary value of the silver so delivered, less such deductions for brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined, not to exceed the actual cost thereof: *Provided*, That such mint is satisfied the silver so delivered has been mined subsequently to June 30, 1948, from natural deposits in the United States or any place subject to the jurisdiction thereof."

(b) The following statutes and portions of statutes are hereby repealed:

(1) Section 1805 of the Internal Revenue Code, as amended;

(2) Sections 6, 7, and 8, and the second proviso in section 3, of the Silver Purchase Act of 1934, approved June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).

(c) Until June 30, 1948, the Secretary of the Treasury is authorized to sell for domestic manufacturing uses, to any person, partnership, association, or corporation, or any department of the Government, any non-monetized silver held or owned by the United States, at a price of not less than 90.3 cents per fine troy ounce, and thereafter at a price of not less than the legal monetary value (of silver) per fine troy ounce: *Provided*, That until June 30, 1948, no such sale shall be made unless the purchaser has certified in writing, and the Secretary of the Treasury is satisfied, that such silver is to be used in domestic industry or the arts and within a period of 6 months after any such sale: *Provided further*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver

certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury: *And provided further*, That on the consummation of such sale of silver by the Treasury to any purchaser, the purchaser shall immediately take possession of the silver so sold and by him purchased and remove the same from the Treasury, in accordance with such rules and regulations as the Secretary of the Treasury may prescribe.

(d) Hereafter, notwithstanding the provisions of any other law, maximum prices shall not be established or maintained upon—

(1) standard commercial bars or other forms of silver bullion, whether foreign, domestic, or Treasury;

(2) semifabricated silver articles;

(3) silver scrap; or

(4) the processing of silver or silver scrap.

Mr. WALSH subsequently said: Mr. President, I ask to have printed in the RECORD several communications I have received from constituents in Massachusetts relative to the discussion of the motion made by the Senator from Rhode Island [Mr. GREEN] when the conference report on the Treasury and Post Office appropriations bill was under consideration.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

DANIEL LOW & Co.,

Salem, Mass., May 31, 1946.

Senator DAVID I. WALSH,

Senate Office Building,

Washington, D. C.

MY DEAR SENATOR: No doubt you are quite familiar with many of the circumstances in connection with the present silver situation as encompassed in the Martin bill. I wonder, however, if you realize that should present silver restrictions continue, production in this particular industry in which we are vitally interested will soon stop. Now there seems to be no doubt but what the shortage of silver with the resultant slowing down of production in industry, that has since pioneer days been a traditional source of livelihood for many thousands of persons, including myself, can be laid to a minority of United States Senators.

It seems to me that there is no justification for raising the price of sterling and thereby subsidize silver for the benefit of a few. It is a sad commentary that representatives of the people should on the one hand advocate such a drastic price increase, and on the other hand vote drastic price control though OPA and other means to halt inflation. Please write me just how you feel about this.

I could write on from various angles, but briefly I would like to stress the importance to this firm I represent, that the Martin bill which provides 71-cent silver for industry, be passed immediately.

I believe that you understand the situation and appreciate the need for releasing Treasury silver so that workmen can continue to be gainfully employed, and a great public need satisfied. I hope that the restraint that has been prevalent in so many lines will soon be relieved in our particular silver industry by the passing of the Martin bill.

Your reply will be most appreciated.

Your very truly,

DANIEL LOW & Co.,

WILLIAM F. PATCH,

Manager, Silver Department.

THE STANDARD ELECTRIC TIME Co.,

Springfield, Mass., June 24, 1946.

Hon. DAVID I. WALSH,

Senate Office Building,

Washington, D. C.

Subject: Treasury and Post Office appropriations bill.

DEAR SIR: We are informed that there is in the Senate a Treasury and Post Office ap-

appropriations bill carrying a rider for the sale of Treasury-held silver to industry for industrial and manufacturing purposes.

We hope you will vote that the bill when passed shall include the rider.

Industrial silver is used in numerous electric items which we purchase or make, for instance, relays, circuit breakers, electronic tube sockets and terminals, nickel silver wire, and silver solder.

Very truly yours,

THE STANDARD ELECTRIC TIME CO.,
H. W. ANGER, Treasurer.

UNITED STATES POST OFFICE,
Greenfield, Mass., June 15, 1946.

Hon. DAVID I. WALSH,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WALSH: The Rogers, Lunt & Bowlen Co., silver products manufacturers, consulted me this morning and are much disturbed over the lack of being unable to obtain silver.

Without doubt they have already contacted you on this matter, which is associated with House bill 5452. Mr. Lunt, of the Rogers, Lunt & Bowlen Co., talked with me personally and said that their factory will be compelled to close unless they are able to obtain silver immediately.

Without question you know full well the situation and I feel certain that you are doing everything in your power to be helpful to the people of this district. However, we feel there is no harm in reminding you of the great necessity of immediate action.

With kind regards and best wishes, I am,
Sincerely yours,

J. B. KENNEDY.

COLE-HERSEE CO.,
Boston, Mass., June 11, 1946.

Hon. DAVID I. WALSH,
Senate Office Building,
Washington, D. C.

DEAR SIR: As a company whose production involves in a large part the use of industrial silver, we solicit your support of the original Martin amendment to H. R. 5452, which provides for the purchase of Treasury silver at 71 cents per ounce.

Reconversion in a large degree depends upon industrial silver for use in extensive production of all electrical products, contrary opinion to the effect that only a few manufacturers of so-called luxury items are affected notwithstanding.

The present controversy, notably the Murdock bill, S. 2206, is not only temporizing but, if passed, authorizing the price of \$1.29 per ounce with further increases in the future, is inflationary because of the scope of products in which silver is used.

Very truly yours,

COLE-HERSEE CO.,
L. MAYER,
President.

MESSAGE FROM THE HOUSE—ENROLLED BILL SIGNED

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 1746. An act to govern distribution of war trophies and devices;

H. R. 5356. An act to provide assistance to the Republic of China in augmenting and maintaining a naval establishment, and for other purposes; and

H. R. 6428. An act making appropriations for the Coast Guard, Treasury Department, for the fiscal year ending June 30, 1947, and for other purposes.

EXTENSION OF PRICE CONTROL

The Senate resumed consideration of the joint resolution (H. J. Res. 371) extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

Mr. MORSE obtained the floor.

Mr. O'DANIEL. Mr. President, will the Senator yield to me?

Mr. MORSE. I am glad to yield to the Senator from Texas.

Mr. O'DANIEL. I desire to read an excellent editorial published in the Washington News of today, dealing with the death of OPA. The Scripps-Howard newspapers, long supporters of OPA, are ready to settle for rent control. They predict that the passing of OPA will be similar to the passing of NRA, when the dire things which were prophesied failed to materialize. The editorial is from the Washington Daily News, a Scripps-Howard newspaper. It is entitled "OPA Is Dying." The editorial reads as follows:

OPA IS DYING

Today, there is some question whether President Truman will get out of Congress another OPA bill as good as or a little worse than the one he vetoed—and whether, when he gets it, he will approve it or veto again.

And, on evidence presently at hand, there is doubt whether it will make much difference.

OPA has been a dead Cock Robin for 10 days, counting today. And so far the economic effect has been less than cataclysmic.

The only sustained and voluminous public uproar is for reinstitution of rent controls. On that question there seems to be few, if any, dissenting voices in Congress. If there is failure to agree on other OPA features, it should be easy to get a meeting of minds on rent control.

That can be explained, perhaps, by the fact that in the war years several million American families were begun, while very few additional homes were being built. And it will take a long time to build enough houses and apartments, a longer time than on most items, for supply to overtake demand. Hence the need of controls to keep some landlords from charging all the traffic will bear. Even on rents, many tenants seem to be willing to pay reasonable increases to meet the added costs landlords have had to assume in the upkeep of their properties.

As important as or more so than a roof overhead, is something in the stomach. So people are worried about food costs. Since OPA's demise, most food costs, that is, costs legally charged, have risen, though some have fallen. Part of the rise is explained by the discontinuance of subsidies which had been paid to food producers and processors under the OPA set-up—so to that extent the consumer actually paid the full price in taxes, if not in prices. Then there is that difference between what was the legal OPA ceiling price and the black-market price. The principal legal price increases have been in meat and dairy products. In some American communities as much as 80 and 90 percent of available meat and butter was in the black market in the last few months of OPA. So statistics don't mean much.

For instance, in the New York City market, butter has ranged from 70 to 80 cents a pound. That's compared to the old OPA ceiling of 65 cents a pound—but with very little butter being offered at that price—while the black market offered butter aplenty at \$1 and \$1.25 a pound.

The same with meats. In the last week there has been the greatest flood of cattle

and hogs into the markets in a decade. Prices have bobbed up and down. Roughly those prices have been above the OPA ceiling, yet below the black prices. So how can anyone tell whether prices have risen or declined over the prices most people actually paid before the end of OPA?

One thing we do know is that in the last year the Government paid out \$1,874,000,000 in money taxed and borrowed, in food subsidies alone. Also \$70,000,000 in copper, lead, and zinc subsidies, and \$54,000,000 in subsidies for stripper oil wells. That was pretty close to a \$2,000,000,000 total. And the new OPA bill provided \$1,000,000,000 subsidies for the year now starting. So if the OPA is not continued, we'll save a lot of money that we otherwise would spend in subsidies.

Scripps-Howard newspapers have supported continuance of OPA. We have believed in orderly decontrols. But the ineffective law which Congress now seems willing to enact is not one which gives us much hope.

The exemption of meat and poultry yesterday was the pay-off. More exemptions are likely to follow today. Maybe we would be better off to accept extension of rent controls and forget about the rest.

We recall that we also were among those who were strong for NRA. When the Supreme Court knocked NRA in the head, we were among those who prophesied that there would be hell to pay. We were afraid wages would be cut. William Green of the AFL predicted there would be widespread labor unrest and strikes—then even as now. We were afraid there would be cutthroat price cutting. (Those were the days when everyone was talking about the need of higher prices, not lower.) But when NRA passed out of existence, what happened? Nothing much. Both prices and wages remained about the same.

Ours is a tough country. We survived NRA with all its fumble-bumble economics. And we survived the death of NRA. We lived through OPA, despite all its bureaucratic thumbs. And if OPA isn't continued, we'll probably still be doing business at the old stand.

Ours is an abundant land. So long as Americans work and produce, we'll probably be able to get what we want for what we can afford to pay. That is, if we work and produce.

Mr. President, I am very glad to read that encouraging editorial, which shows that as strong a supporter of OPA as the Washington Daily News now admits that we might be just as well off if OPA were to remain dead. I certainly hope OPA remains dead and I thank the Senator from Oregon for having yielded to me.

Mr. MORSE. Mr. President, I was very happy to yield to the Senator. I infer from the contents of the editorial and the approving way in which the Senator from Texas read it, that the Senator from Texas is at least in favor of rent control.

I want to make a suggestion or two, Mr. President, as to some other things that I think ought to be subjected to control. I am not going to speak at any great length, but I would preface my remarks by pointing out that I have been a staunch defender of the objectives of OPA. I voted not so many days ago with 16 other Members of the Senate for the Pepper substitute which would have extended price control. I still think it was the best type of legislation that we could have passed. I would still vote for such legislation. I voted against the conference report which involved the

bill which was vetoed by the President, and at that time I set forth my reasons for voting against the conference report. I stand by those reasons, and I submit that subsequent events have amply sustained the point of view which I took at that time. In the CONGRESSIONAL RECORD for June 26, 1946, I said the following about the conference report on OPA:

Mr. MORSE. Mr. President, I shall make only a few remarks at this time on the OPA conference report. I simply wish to say that on the basis of my study of the conference report today and on the basis of the debate which I have heard on the floor of the Senate today, my present opinion is that for several major reasons it will be impossible for me to vote for the conference report.

First, I am satisfied that the report in its present form would be more inflationary than no OPA at all, because I think it will result in such confusion and disruption of production as to be a serious impairment to production. Thus it will be causative, rather than preventive, of inflation.

In the second place, I cannot vote for the conference report in its present form because I think the Taft amendment results in undue benefits to American industry, to which it is not entitled, and amounts to grossly unfair discrimination against the agricultural interests of the United States. I do not propose to vote for discriminatory legislation.

In the third place, my present intention is to vote against the conference report because, if I correctly understand the ruling which was made earlier today by the Chair, the only hope we have of getting this problem back to conference is by rejecting the conference report. Then, from a parliamentary point of view, we shall be in a position to direct our conferees to go back into conference. Therefore, from a parliamentary standpoint, I do not think I could justify a vote for the conference report, because I think in toto, in every section thereof, it is an exceedingly unsound and unwise piece of legislation. As a liberal Member of this body, I cannot sentence the American people to the great inflationary cruelties which I think will flow from the adoption of this report.

However, since the passage of the bill which was supported by the conference report, and which was overruled by the subsequent veto by the President, we have had a new measure brought before us. I think we must be pretty cold realists in regard to the OPA legislative situation which now confronts the Senate. I think it is perfectly obvious that the measure which has come from the Committee on Banking and Currency is one which will be considerably modified when it finally passes this body. What I am seeking to do is to follow what I think are some sound economic principles in considering the new OPA bill now before us.

I point out that if we had passed the Pepper substitute calling for a continuation of OPA, for which I voted, with appropriate modifications in the procedure of OPA for which I have fought for the past year without success in the Senate; if we had united upon an improvement in the enforcement policies and central-office procedures of OPA, which I think gave rise to much of the opposition to OPA in this country; if we had required a greater regionalization of OPA, with the vesting of greater finality of administrative decision in the regional boards of OPA so that they could have taken into account regional differences, we would have had a much sounder OPA

program than in my judgment will result from the final action of the Senate upon the OPA bill now pending before us.

So as we face these various amendments and make up our minds, on the basis of the debate which takes place here, as to those that we shall support and those that we shall oppose, I think we should not lose sight of a few elementary economic principles which ought to determine, in large measure, the judgment which we make as we proceed to pass what obviously is going to be compromise OPA legislation. I think we ought to be completely intellectually honest and admit that the final OPA bill which we will pass will be a piece of compromise legislation. It is a measure which will be colored in many of its clauses by sectional differences—yes, by sectional trades. I do not approve of that method of passing legislation but that is exactly what is going to happen. But we must not lose sight of a few elementary economic principles in our consideration of this measure.

Let me repeat that should the Senator from Florida [Mr. PEPPER] or any other Senator again offer a substitute which would seek to extend OPA and carry out some of the OPA procedural reform objectives for which I have struggled in my remarks on the floor in the way of improving the administrative procedures of OPA, I would again vote for such a substitute bill. But I am too much of a realist to think for a moment that any such legislation has any chance of passage. Perhaps some Senators may think that there is something to be gained by making a record; but I am not much interested in making a record. I am interested in enacting legislation which will do the country some good. Defeated legislation, no matter how sound, is not going to help check inflation any. Hence I am perfectly willing to face this measure as it has come from the Committee on Banking and Currency in the light of what has happened since the previous bill was considered by this body, and vote for the best compromise we can get through the Senate and at the same time maintain, to the maximum extent possible, the chief objectives of OPA. However, the bill itself is a very weak bill and I doubt if it will be very effective as a price-control bill.

Further I recognize that it is bound to be amended and nothing I can do will stop it. Hence I shall from now on vote for those decontrol amendments which I think can be justified on the facts insofar as supply of the goods involved is in balance with demand. When it can be demonstrated that supply is equal to demand in the case of any product, I am perfectly willing to vote for its decontrol in the bill itself if other factors are not present which will cause an excessive price increase as in the case of oil. I discussed that question at some length the other day, when I pointed out that the original bill which was in the conference report was a bill which, in my judgment, was very discriminatory against the agricultural interests of the country. For example the other day I spoke of the effect of certain OPA rulings and administrative procedures on the dairy indus-

try. I pointed out, and now repeat for the RECORD, that the OPA has followed the principle of national averages when fixing prices of dairy products. It has not taken into account to a sufficient degree the great regional differences in the production of dairy products, with the result that in some sections of the country, including my own, and also in some of the Northeastern States, as well as other sections of the country, the dairy industry has been done a great amount of damage in that large numbers of dairy producers have been forced to produce at a loss.

Mr. MILLIKIN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STEWART in the chair). Does the Senator from Oregon yield to the Senator from Colorado?

Mr. MORSE. I yield.

Mr. MILLIKIN. Is it not perfectly evident that no business can be operated on the basis of national averages?

Mr. MORSE. That is the argument which I made the other day, and that is why I favored taking into account regional differences.

Mr. MILLIKIN. That statement applies to any business, agricultural or otherwise.

Mr. MORSE. The Senator is correct.

Mr. MILLIKIN. If the Senator has a little factory in Oregon making fishing poles, ice boxes, or anything else, how can he operate the business on the basis of national averages?

Mr. MORSE. It cannot be done without some producers below the average losing money.

Mr. MILLIKIN. The Senator cannot pay his men with a national average. He cannot stick a national average in the pay envelope, can he? He cannot pay the electric-light people with a national average. He cannot pay the people who deliver coal with a national average, can he? Is there any bill which he can meet by handing someone a national average?

Mr. MORSE. All the Senator from Colorado is saying and I appreciate it—is giving support to a position which I have previously taken. I think it is essential that we take into account regional economic problems, and that is why I think greater power should have been vested in our regional OPA boards in administering OPA policies.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MORSE. I am glad to yield to the Senator from Arkansas.

Mr. FULBRIGHT. I wonder what the Senator thinks about the significance of the tax policy and the labor policy, which should be adjusted to the objectives of the OPA. It was my thought that when we repealed the excess profits tax we very substantially weakened the OPA. That was true also when we abolished the War Labor Board. I am very doubtful that a price control law alone, without any reference to a tax policy, can be very effective, even if we adopt some better plan of administration.

Mr. MORSE. My judgment, for whatever it may be worth, is similar to that of the Senator from Arkansas in regard

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

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HIGHLIGHTS; Senate debated price-control measure, rejected Taft cost-plus amendment, agreed to McClellan amendment to require ceilings on forestry products to permit 90% of producers to recover costs. Both Houses agreed to conference report on omnibus flood control bill. Senate passed measure to prohibit disposal of most synthetic rubber plants pending study. Sen. Wiley announced that he will move to consider President's reorganization plans today. Sen. Wherry discussed meat-grain situation, indicating belief that price increases have been reasonable and supply is better. House received conference report on bill to slow liquidation of rural-rehabilitation projects. House further insisted on Elliott amendment to exclude packing and canning employees from NLRB.

SENATE

1. PRICE CONTROL. Continued debate on H. J. Res. 371, to extend and amend the Price Control and Stabilization Acts (pp. 8742-82). Rejected, 40-40, the Taft amendment providing a cost-plus pricing formula with a 1940 base (pp. 8758-78). Agreed to the McClellan amendment to provide that maximum prices of forestry products shall permit producers of at least 90% of such products to recover current costs (pp. 8779-82).
2. FLOOD CONTROL. Both Houses agreed to the conference report on H. R. 6597, the omnibus flood-control bill (pp. 8739, 8786-7). This bill will now be sent to the President.
3. RUBBER. Passed without amendment S. J. Res. 174, prohibiting WAA from disposing of synthetic-rubber plants costing the Government over \$5,000,000 until 6 months after an OWMR report to Congress on establishment of a rubber program to protect against complete dependence on foreign sources; exceptions to this provision are provided in the case of certain plants (pp. 8736-7).
4. REORGANIZATION. Sen. Wiley moved consideration of S. Con. Res. 64, 65, and 66, to disapprove the President's reorganization plans, but withdrew it until today, at the request of Majority Leader Barkley, with the thought that action on the price-control measure may be completed today (pp. 8738-9).
5. MEAT AND GRAIN SITUATION. Sen. Wherry, Nebr., discussed this matter, indicating his belief that price increases since July 1 have not been unreasonable and that the supply situation is better (pp. 8739-42).
Sen. Tunnell, Del., quoted meat-price increases and said cattle "are coming in for a reason" (p. 8739).

6. FORESTRY. Both Houses received from this Department proposed legislation to facilitate and simplify the work of the Forest Service. To Senate Agriculture and Forestry Committee and House Agriculture Committee. (pp. 8735, 8859.)
7. OWMR REPORT on the production and price-control situation, etc., was received (p. 8735).
8. PURCHASING. Received from the President "a proposed provision pertaining to the General Supply Fund, Procurement Division." To Appropriations Committee. (p. 8735. (S. Doc. 239))
9. FWA APPROPRIATION. Received from the President a supplemental appropriation estimate of \$100,000,000 for FWA (no purpose shown in Record) (S. Doc. 238). To Appropriations Committee. (p. 8735.)
10. EXPORT CONTROL. Received a letter from the Commerce Department "relating to the administration of the export control law during the next fiscal year." To Appropriations Committee. (p. 8735.)

HOUSE

11. RURAL REHABILITATION. Received the conference report on S. 704, to authorize the Secretary to continue administration of and ultimately liquidate Federal rural rehabilitation projects (p. 9787). This bill as contained in the conference report authorizes the Secretary to make preferential disposition to veterans of War II and present occupants to whom previous commitments to purchase have been made of the project lands within a three-year period following the effective date of the Act; and eliminates "lands in the so-called water conservation and utility projects," which are operated jointly by this Department and the Department of Interior.
12. LABOR-FEDERAL SECURITY APPROPRIATION BILL. Agreed to the conference report on this bill, H.R. 6739 (pp. 8787-97). The House further insisted on its disagreement to the Senate amendment striking out the so-called Elliott rider which would exclude packing and canning workers from NLRB regulations (p. 8791-7).
13. TREASURY-POST OFFICE APPROPRIATION BILL. Further insisted on its disagreement to the Senate amendment to this bill, H.R. 5452 (pp. 8797). The amendment in disagreement raises the price of silver to 90.3¢.
14. RECLAMATION. The Irrigation and Reclamation Committee reported with amendment H.R. 6876, to authorize Interior to construct the Lewiston Orchards project, Idaho, in accordance with Federal reclamation laws (H. Rept. 2497) (p. 8859).
15. POSTAL SERVICE. The Post Office and Post Roads Committee reported without amendment H.R. 6970, to provide for an air parcel post service (H. Rept. 2498) (p. 8859).
16. MILITARY ESTABLISHMENT APPROPRIATION BILL. Agreed to the second conference report on this bill, H.R. 6837 (pp. 8856-7).
17. BRITISH LOAN. Continued debate on S. J. Res. 138, to authorize a loan to Great Britain (pp. 8799-855).
18. GRAIN SHORTAGE. Received Richmond County, N.Y., and Little Rock, Ark., citizens' petitions opposing use of grain by breweries during the grain shortage (p. 8860).
19. PRICE CONTROL. Rep. White Idaho, urged caution in consideration of price-control continuation and inserted sundry letters for and against OPA continuation (p. 8858).

Rooney	Tarver	White
Sheppard	Taylor	Wickersham
Sheridan	Tolan	Winstead
Simpson, Ill.	Torrens	Wolfenden, Pa.
Smith, Wis.	Vinson	Wood
Sparkman	Walter	Worley
Stewart	Weich	
Stigler	West	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Ploeser for, with Mr. Bennet of New York against.

Mr. Bender for, with Mr. McGregor against.

Mr. Adams for, with Mr. Horan against.

Mr. Sheridan for, with Mr. Camp against.

Mr. Rabaut for, with Mr. Wood against.

Mrs. Douglas of California for, with Mr. Vinson against.

Mr. Engel of Michigan for, with Mr. Anderson of California against.

Mr. Sparkman for, with Mr. Brehm against.

Mr. Keogh for, with Mr. Buffett against.

Mr. Rooney for, with Mr. Gillespie against.

Mr. Dingell for, with Mr. Harness of Indiana against.

Mr. Eberharter for, with Mr. Latham against.

Mr. Priest for, with Mr. McCowen against.

Mr. Quinn of New York for, with Mr. Simpson of Illinois against.

Mr. Pfeifer for, with Mr. Smith of Wisconsin against.

Mr. Bradley of Pennsylvania for, with Mr. Taylor against.

Mr. De Lacy for, with Mr. Beckworth against.

Mr. Hart for, with Mr. Boykin against.

General pairs until further notice:

Mr. Sheppard with Mr. Mason.

Mr. Colmer with Mr. Reece of Tennessee.

Mr. Hendricks with Mr. Weich.

Mr. Morrison with Mr. Holmes of Washington.

Mr. Roe of Maryland with Mr. Crawford.

Mr. Kefauver with Mr. Brumbaugh.

Mr. Hollifield with Mr. Andrews of New York.

Mr. Coffee with Mr. D'Ewart.

Mr. Miller of California with Mr. Baldwin of New York.

Mr. Byrne of New York with Mr. Hancock.

Mr. Mansfield of Montana with Mr. Plumley.

Mr. Powell with Mr. Wolfenden of Pennsylvania.

Mr. Wickersham with Mr. LeCompte.

Mr. CHIPERFIELD changed his vote from "aye" to "no."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question recurs on the motion to further insist.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

LIQUIDATION OF RURAL REHABILITATION PROJECTS—CONFERENCE REPORT

Mr. FLANNAGAN submitted the following conference report and statement on the bill (S. 704) to authorize the Secretary of Agriculture to continue administration of and ultimately liquidate Federal rural rehabilitation projects, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 704) to authorize the Secretary of Agriculture to continue administration of and ultimately liquidate Federal rural rehabilitation projects, and for other purposes, having met,

after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That, notwithstanding any other provision of law, the Secretary of Agriculture, in order to assure the maximum preferential disposition for a period not to exceed three years from the date of this act to veterans of the present war and present project occupants to whom previous commitments to purchase have been made, is hereby authorized and directed to dispose of lands herein-after described as expeditiously as possible and within such three-year period such of the lands (improved and unimproved) comprising or incident to those resettlement projects and rural rehabilitation projects for resettlement purposes, and other like enterprises heretofore initiated for similar purposes and financed, in whole or in part, with funds made available to the Secretary, War Food Administrator, Farm Security Administration, Resettlement Administration, or Federal Emergency Relief Administration, as he determines are suitable for ultimate disposition in economic farm units. Nothing contained herein shall be deemed to authorize retardation of the expeditious liquidation of such lands and all other lands or property comprising such projects insofar as is deemed practicable by the Secretary consistent with the purpose of this Act.

"SEC. 2. The Secretary, during the period specified in section 1 of this Act, shall sell or cause to be sold, units not to exceed six hundred and forty acres in any one sale, those of such lands as are suitable for disposition in economic farm units at the earning capacity value as determined by him and otherwise on such terms as he may deem advisable, to veterans, as defined in the Surplus Property Act of 1944 (Public Law 457, Seventy-eighth Congress), and present project occupants to whom previous commitments to purchase have been made or who have existing contracts to purchase and who meet the requirements of eligibility specified in title I of the Bankhead-Jones Farm Tenant Act (7 U. S. C. 1000-1006), as amended.

"SEC. 3. There is hereby authorized to be appropriated such amounts as may be necessary to carry out the purposes of this Act, including and making betterments and improvements deemed necessary to accomplish the purpose of this Act: *Provided*, That no expenditures shall be made for improvements on any farm unit in excess of one-third of the earning capacity value.

"SEC. 4. Any conveyance by the Government of title to land under this Act shall convey all of the right, title, and interest of the Government in and to such land, including all mineral rights."

And the House agree to the same.

JOHN W. FLANNAGAN,
STEPHEN PACE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
HAROLD D. COOLEY,

Managers on the Part of the House.

ELMER THOMAS,
HARLAN J. BUSHFIELD,
GEORGE D. AIKEN,
CLYDE R. HOEY,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 704) to authorize the Secretary of Agriculture to continue administration of and ultimately liquidate Federal rural rehabilitation projects, and for other purposes, submit the following statement in explanation of the effect of the action agreed

upon by the conferees and recommended in the accompanying conference report:

The amendment of the House strikes out all of the Senate bill after the enacting clause. The committee of conference recommends that the Senate recede from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment, and that the House agree to the same.

Except for the differences noted in the following statement, the conference substitute is the same in substance as the House amendment.

The language contained in the first section of the House amendment which fixes a 3-year period after the termination of the war as a period for preferential disposition of project lands under the act has been changed to a period of 3 years from the effective date of the act and has been shifted to make it clear that it is a period for preferential disposition and a period within which such project lands shall be disposed of.

The House amendment provided for preferential disposition of project lands to present occupants who have entered into contracts to purchase the lands. The conference agreement provides for such disposition also to present occupants to whom previous commitments to purchase have been made.

Section 1 of the House amendment included in the category of projects to which the act would apply the "lands in the so-called water conservation and utility projects." The conference agreement eliminates these projects which are constructed and operated jointly by the Department of the Interior and the Department of Agriculture. The inclusion of such lands in this act would amend existing authority for the disposition of water conservation and utility project lands, some of which are not ready for disposition because irrigation water is not yet available.

Section 2 of the House amendment directed the Secretary to make sales under the act from time to time. The conference agreement deletes the words "from time to time" and substitutes language which directs the making of such sales during the period, referred to in section 1 of the act, expiring 3 years after the act becomes law.

JOHN W. FLANNAGAN, JR.
STEPHEN PACE,
CLIFFORD R. HOPE,
J. ROLAND KINZER,
HAROLD D. COOLEY,

Managers on the Part of the House.

TREASURY-POST OFFICE APPROPRIATION BILL—SENATE AMENDMENT NO. 7 IN DISAGREEMENT

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, for the purpose of further considering Senate amendment No. 7.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the Senate amendment, as follows:

Page 25, strike out lines 7 to 20, inclusive, and insert:

"(a) Subsection (b) of section 4 of the act entitled 'An act to extend the time within which the powers relating to the stabilization fund and alteration of the weight of the dollar may be exercised,' approved July 6, 1939, is amended to read as follows:

"(b) (1) Until June 30, 1948, the Director of such mint with the consent of the owner shall deduct and retain of such silver

so received 30 percent as seigniorage for services performed by the Government of the United States relative to the coinage and delivery of silver dollars. The balance of such silver so received, that is, 70 percent, shall be coined into standard silver dollars and the same or any equal number of other standard silver dollars shall be delivered to the owner or depositor of such silver. The 30 percent of such silver so deducted shall be retained as bullion by the Treasury or coined into standard silver dollars and held or disposed of in the same manner as other bullion or silver dollars held in or belonging to the Treasury.

"(2) On and after July 1, 1948, there shall be delivered therefor in standard silver dollars or any other coin or coinage of the United States, the full monetary value of the silver so delivered, less such deductions for brassage, coinage, and other mint charges as the Secretary of the Treasury with the approval of the President shall have determined, not to exceed the actual cost thereof: *Provided*, That such mint is satisfied the silver so delivered has been mined subsequently to June 30, 1948, from natural deposits in the United States or any place subject to the jurisdiction thereof."

"(b) The following statutes and portions of statutes are hereby repealed:

"(1) Section 1805 of the Internal Revenue Code, as amended;

"(2) Sections 6, 7, and 8, and the second proviso in section 3, of the Silver Purchase Act of 1934, approved June 19, 1934 (U. S. C., title 31, secs. 316a, 316b, and 734a).

"(c) Until June 30, 1948, the Secretary of the Treasury is authorized to sell for domestic manufacturing uses, to any person, partnership, association, or corporation, or any department of the Government, any nonmonetized silver held or owned by the United States, at a price of not less than 90.3 cents per fine troy ounce, and thereafter at a price of not less than the legal monetary value (of silver) per fine troy ounce: *Provided*, That until June 30, 1948, no such sale shall be made unless the purchaser has certified in writing, and the Secretary of the Treasury is satisfied, that such silver is to be used in domestic industry or the arts and within a period of 6 months after any such sale: *Provided further*, That at all times the ownership and the possession or control within the United States of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury: *And provided further*, That on the consummation of such sale of silver by the Treasury to any purchaser, the purchaser shall immediately take possession of the silver so sold and by him purchased and remove the same from the Treasury, in accordance with such rules and regulations as the Secretary of the Treasury may prescribe.

"(d) Hereafter, notwithstanding the provisions of any other law, maximum prices shall not be established or maintained upon—

"(1) standard commercial bars or other forms of silver bullion, whether foreign, domestic, or Treasury;

"(2) semifabricated silver articles;

"(3) silver scrap; or

"(4) the processing of silver or silver scrap."

Mr. O'NEAL (interrupting the reading of the amendment). Mr. Speaker, I ask unanimous consent that further reading of the amendment be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. O'NEAL. Mr. Speaker, I move that the House further insist on its dis-

agreement to the amendment of the Senate numbered 7.

The Clerk read as follows:

Mr. O'NEAL moves that the House further insist on its disagreement to the amendment of the Senate numbered 7.

Mr. O'NEAL. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, the Membership will recall that the Treasury-Post Office appropriation bill came before the House and the conference report was adopted with the exception of Senate amendment No. 7 dealing with the question of silver. The House had included in the bill a paragraph which was really the legislative bill previously passed by the House dealing with the sale of Treasury-owned silver. The Senate made a very far-reaching change in the House language by way of amendment and when the bill was brought back to the House by the conferees, the House by a vote of 266 to 22 stood by the position of the House. I do not think it is necessary to go into the arguments pro and con in this matter any further. When the Senate conferees reported the bill and amendment back to the Senate, the Senate conferees were instructed to recede on everything in the Senate amendment except a provision to fix the price at which the Treasury would both buy and sell silver at 90.3 cents.

Mr. Speaker, I ask unanimous consent to insert at this point the actual wording of the motion which was adopted by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The matter referred to follows:

I move that the conferees on the part of the Senate be instructed to agree to an amendment to Senate amendment No. 7 which will omit the matter proposed to be inserted by said amendment, and restore the matter stricken out by the Senate amendment, and in lieu of the "71.11 cents" specified in the matter so restored, insert "90.3 cents"; and at the end of the matter so restored insert a colon and the following: "*Provided further*, That hereafter each United States coinage mint shall continue to receive for coinage silver mined from natural deposits in the United States or any place subject to the jurisdiction thereof, as provided in the act of July 6, 1939 (Public Law 165, 76th Cong.), except that the seigniorage to be deducted shall be 30 percent instead of 45 percent as provided in section 4 (b) of said act."

Mr. O'NEAL. Mr. Speaker, the conferees of the House are now bringing this matter back to you so as to make it perfectly clear and definite where the House stands on an attempt to put into an appropriation bill a far-reaching legislative matter which probably has not been heard so fully by the Appropriations Committee of either body as it should be and which is, in my opinion, not properly a matter for an appropriation bill.

We are, therefore, bringing to you this motion and we would like to have you support the position of the House in further insisting upon the House disagreement, thereby standing by the position the House took the other day. I trust that the House will sustain the motion by an overwhelming majority.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from New York.

Mr. TABER. The Senate acted entirely without a roll call and without consideration of the merits of this matter after the House had had a roll call. They asked for a conference without any authority to go to a full and free conference which is something we should not do.

Mr. O'NEAL. The gentleman is correct. There was no recorded vote and the matter came back in the form which will be inserted in the RECORD. I will be glad to read it if anyone wants to hear it. The chief part of it is that it contains an increase in the price from 71.11 cents to 90.3 cents.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Arizona.

Mr. MURDOCK. Do I understand now if the House is sustained the price will be changed from 71.11 to 90.3?

Mr. O'NEAL. If the House is sustained, the price will remain at 71.11. In my opinion, it is desirable that the Treasury keep the price at 71.11. If the House sustains the motion made by the chairman of the subcommittee it will merely be reiterating the position that the House took on a vote when the matter was before the House a few days ago.

Mr. DWORSHAK. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Idaho.

Mr. DWORSHAK. I understood the gentleman to say that the other body had undertaken to attach a rider insofar as authority to dispose of Treasury silver is concerned. Is that correct?

Mr. O'NEAL. No. The gentleman has not made any such statement and is not inferring any bad faith or anything contrary to good practice with reference to what might or what might not have been done by the Senate. The gentleman merely made the statement that the Senate had amended the bill and has now indicated willingness to agree to a change in the original amendment and the primary change is to wipe out everything except the price.

Mr. DWORSHAK. Is it not true this body attached a rider to the appropriation bill when we had it up for consideration?

Mr. O'NEAL. That was thoroughly debated a couple of days ago. I am sure every Member of the House knows that the amendment was put in the House bill and the Senate further amended it.

Mr. DWORSHAK. Would it not be advisable to eliminate the rider entirely?

Mr. O'NEAL. You cannot do that in conference.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. O'NEAL. I yield to the gentleman from Colorado.

Mr. CHENOWETH. I would like to inquire of the distinguished chairman of the subcommittee what his purpose is now in presenting this motion to the House?

Mr. O'NEAL. The purpose of the committee is to further insist on the disagreement to the Senate amendment which means that we shall stand by the provisions of the House bill as originally passed by the House.

Mr. CHENOWETH. As I understand the situation, the Senate yesterday voted to amend its position to agree to a price of 90.3 cents.

Mr. O'NEAL. In effect, that is the major change.

Mr. CHENOWETH. Do I understand that the gentleman is opposed to that?

Mr. O'NEAL. The gentleman representing the committee is opposed to that.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The motion was agreed to.

A motion to reconsider was laid on the table.

FRANKLIN DELANO ROOSEVELT MEMORIAL DAY PROCEEDINGS

Mr. BULWINKLE. Mr. Speaker, I offer a resolution and ask for its immediate consideration.

The Clerk read the resolution (H. Con. Res. 161), as follows:

Resolved by the House of Representatives (the Senate concurring), That there be compiled, printed with illustrations, and bound, as may be directed by the Joint Committee on Printing, 25,000 copies of the address delivered by the Honorable John G. Winant during exercises held in memory of the late President Franklin Delano Roosevelt on July 1, 1946, including all the proceedings and the program of exercises and such other tributes to the life, character, and public services of the late President Roosevelt as the Committee on Arrangements may deem appropriate, of which 8,000 copies shall be for the use of the Senate and 17,000 copies for the use of the House of Representatives.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON IRRIGATION AND RECLAMATION

Mr. MURDOCK. Mr. Speaker, I ask unanimous consent that the subcommittee of the Committee on Irrigation and Reclamation have permission to sit today during general debate in the House.

The SPEAKER. Is there objection to the request of the gentleman from Arizona?

There was no objection.

ANGLO-AMERICAN FINANCIAL AGREEMENT

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the joint resolution (S. J. Res. 138) to implement further the purposes of the Bretton Woods Agreements Act by authorizing the Secretary of the Treasury to carry out an agreement with the United Kingdom, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of Senate Joint Resolution 138, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

Mr. SPENCE. Mr. Chairman, I yield to the distinguished Speaker of the House the gentleman from Texas [Mr. RAYBURN] such time as he may desire.

Mr. RAYBURN. Mr. Chairman, the Honorable Cordell Hull is, in my opinion, one of the great men that the United States of America has produced during its long and lustrous history. I think it might be said of him that he is one of the greatest, if not the greatest, Secretaries of State that the United States has ever had. He has made many, many important utterances on foreign affairs and domestic affairs as well.

I am in receipt of a letter from him in regard to the pending matter now before the House that I think is one of his greatest utterances, and I ask that that letter may be read from the Clerk's desk.

The Clerk read as follows:

WASHINGTON, D. C., July 10, 1946.

The Honorable SAM RAYBURN,

Speaker of the House.

DEAR MR. SPEAKER: As a private citizen, but one who for 30 years has supported and worked actively for international economic cooperation, I have been following with great interest the debate which has been going on in and out of the Congress on the proposed loan to Great Britain in its relation to the whole international situation. As I told you when I telephoned you to inquire as to the present status of the matter, I have been increasingly disturbed lest the broad and compelling features of this whole situation be overlooked.

My major interest in international economic problems relates to the development of world trade and commerce, which I regard as one of the pillars of international peace and an indispensable factor in progress toward the achievement of freedom from want and in the promotion of all phases of the general welfare. Ever since 1916, when as a Member of the House I first proposed concrete measures for placing trade relations among nations on a sound and workable basis, I have continued to urge upon our country the overwhelming need for our country to exercise, in its own best interest, a growing measure of leadership in promoting mutually beneficial international economic relations. I have consistently advocated the view that the prosperity of our country and of all countries inescapably depends upon their ability to produce useful goods and services efficiently, and to exchange their surpluses with each other economically and to their mutual benefit.

Unfortunately for some years after the First World War our country followed the tragically mistaken policy of hampering, by means of trade restrictions and obstructions, the inflow of useful foreign goods and at the same time promoting, by means of huge indiscriminate loans, the sales abroad of our domestic surpluses. The inevitable consequences of that policy were forcefully brought home to us by the bitter lessons of the great depression.

Twelve years ago our country entered upon a new course. It began to exercise its immense influence in the direction of economic sanity, with a marked promise of success. This course was unhappily interrupted by a new world war.

Today, following that war, we are again confronted with a crisis in international economic relations. This new crisis is more profound, more difficult, more fraught with danger than any we have as yet had to face.

Many parts of the world have been devastated by the war. Unemployment, misery, and even starvation stalk the earth. There is always a tendency after a great war or crisis, for the nations caught in the toils of a desperate struggle for economic survival,

to seek safety in substituting extreme and arbitrary measures of rigid governmental control for time-honored and proven policies of economic freedom. That tendency is all too manifest in the world today. If it continues and develops, the result will be bitter economic strife among nations from which we cannot escape unscathed.

Our own economic system, based on the doctrine of free enterprise, cannot endure in a world of economic conflict, in which other nations increasingly regiment their production and both their domestic and foreign trade, increasingly resort to the destructive practices of totalitarian economics and gradually drag the world down to that level. For our own sake, we must now exert all the influence we have toward reversing this fatal trend. There will be ruin for us and for the world if we sit still. Doing nothing in such a case becomes a positive evil.

For economic conflict is but the beginning of political calamity. Within countries it creates poverty and breeds dictators. Among countries it creates constant animosities and breeds aggressors.

The world is today confronted with an inescapable choice as fraught with decisive significance as any that the human race has ever faced. Reduced to its most fundamental terms, that choice is between a growing cooperation among nations in the economic, political, and other fields or a growing hermitlike aloofness on the part of nations toward each other which must inevitably lead to increasing international discord and possibly to the final supreme catastrophe of another world war.

While all countries must face this basic choice and must act on it, our country's exceptional size and strength give it a position of special responsibility. It is we more than any other single nation who will determine the direction in which mankind will now go. Our people and our Government have no higher duty to our Nation than to work wholeheartedly for international cooperation as against extreme nationalism for freedom as against regimentation for world peace as against world discord and war. In recent years we have repeatedly assumed and carried forward the heavy responsibilities of world leadership in support of international cooperation and peace by urging other nations capable of doing so to assume similar responsibilities, by urging all nations to work for cooperation and peace and, above all, by our own example.

The British loan is a crucial test for us. The men, women, and children of Britain have borne untold hardships and have made enormous sacrifices in the Second World War. They now need our financial assistance to make it possible for them to rebuild their gravely depleted economy. By thus helping them we can enable Britain once again to become a great influence in helping us to lead the world in the direction which is so vital to us and to all members of the United Nations—in the direction of peace and well-being for all of us.

Denied our aid at this particular juncture, the British people will find themselves compelled more and more to regulate and regiment their economic life in a desperate struggle for survival. In doing this, they will be forced to adopt policies which will render impossible the urgently needed resumption in the world of an adequate and mutually advantageous flow of goods and services among nations. By denying financial help to Britain, so necessary for its economic rehabilitation, we would be promoting economic war instead of economic peace. And we would be undermining the foundations of international cooperation. Not only Britain, but we ourselves and the world would suffer in consequence—needlessly and tragically.

I am well aware that some of our ablest financial experts including a number of my best friends, hold opposing views on many

aspects of the financial arrangements represented by the proposed loan to Britain. I will not undertake to pass on all of these points. But I do feel this: At this time when conditions everywhere are increasingly critical, the central problem before us is not the technical or even other important aspects of this particular method of financing trade. The problem now is whether we shall press ahead before it is too late with the program of developing and strengthening the economic foundations of freedom and peace. The British Government has made clear that once Britain gets a financial breathing spell, which the loan would permit, it will go forward with us wholeheartedly in leading the world to a state of affairs in which trade and production, and enterprise can function again as major factors in bringing about prosperity and peace for all countries. This is of inestimable importance. Loans like the proposed loan to Britain which make possible a return to economic sanity are a wholly different matter from some of the loans we made in the twenties which were merely a cover for unsound and suicidal trade policies. Our failure to act affirmatively on the British loan will result in far greater injury to us and to the whole broad movement for economic restoration than any specific shortcomings of the proposed financial arrangements.

The loan to Britain is not, of course, a panacea for all of the world's present economic and political ills. There are many other phases of international relations in which our influence and our example will have a determining effect. But our action on the loan is a test—and a very important test—of our intentions and our leadership.

I am sure that our country will want to meet this test with a full sense of our immense responsibility.

Sincerely yours,

CORDELL HULL.

Mr. WOLCOTT. Mr. Chairman, I yield such time as he may desire to the gentleman from Pennsylvania [Mr. GAVIN].

Mr. GAVIN. Mr. Chairman, I ask unanimous consent to insert at this point in the RECORD an editorial entitled "Subsidizing the British Empire" by Jesse H. Jones, a former great administration leader.

The CHAIRMAN. The gentleman from Pennsylvania will have to obtain permission for that in the House under the rules of the House as we are now in the Committee of the Whole.

The matter referred to follows:

[From the Houston (Tex.) Chronicle of April 16, 1946]

SUBSIDIZING THE BRITISH EMPIRE

(By Jesse H. Jones)

I do not think the proposed British loan of \$3,750,000,000 now before Congress, should be made and do not believe that any good will come to the American people, or, for that matter, to the economy of the world, from making it in its present form.

If we make this loan to Britain and refuse loans on similar terms to other countries, it would be so much in the nature of an alliance with Great Britain as to cause other countries to feel that we are less friendly to them than to Britain.

Furthermore, the proposed loan is most unbusinesslike.

1. Five to fifty-five years, or practically two generations, is much too long a time to lend money to a foreign government without security.

2. No loan of any kind should be made until all considerations incident to it are determined in advance of the loan. Nothing should be left for future negotiations. In the present loan agreement Empire tariff

preference and the proposal for the expansion of world trade, in which the United States is so vitally concerned, are left for future consideration. The time for these agreements is before the loan is made.

3. No money should be loaned to Britain for expenditure in other countries without proper security, particularly since the British have substantial profitable investments and operations in the United States which could be used as collateral for a loan.

Prominent among these is insurance from which they make a very substantial profit out of the American people. According to a recent report of the United States Treasury, British-owned assets in this country aggregate more than \$3,000,000,000, and include \$587,000,000 United States Government securities, more than \$40,000,000 in corporate bonds, and 623 controlled branches of corporations having a value of \$611,000,000. These and other assets are owned by the British in this country, the profits and income on which are going to them. These assets and the profits of British insurance companies from business written in this country should be used by the British Government as security for any loan of dollars to be spent outside the United States, the British Government accounting to her investors in British money or securities.

II

The British are by no means strapped. It has been estimated that their assets in other countries than ours total some \$8,000,000,000, their unmined gold reserves have been estimated to be worth at least \$15,000,000,000, and their diamond reserves as much as \$8,000,000,000. Britain also has several billion dollars in cash.

In July 1941 the RFC authorized a loan of \$425,000,000 to the United Kingdom of Great Britain and Northern Ireland under authority granted it by Congress June 10, 1941, to enable RFC to make loans to governments that had defaulted on their loans from us after World War I, provided such loans were secured by investments in this country. The RFC loan is payable over a period of 15 years, with interest at 3 percent. The loan agreement provides that any sales by the British of the collateral and all income after taxes, from all the security would be applied, first to the interest on the loan, and then on the principal. The security includes the net profits, after taxes, made in this country by 41 British insurance companies operating here, and the capital stock of 40 additional British-owned American insurance companies. The RFC made no requirement that any of the collateral be sold.

Only \$390,000,000 of the loan was taken down by the British. Payments from the sale of pledged collateral have been \$24,565,000 and from the net income, after taxes, \$171,575,000 leaving a balance due as of February 28 of \$194,000,000. The current income after taxes from the presently pledged security is about \$37,000,000 a year. This is approximately the average over the past 10 or 12 years.

III

In order to be helpful to the British and still protect our own Federal Treasury in substantial part, I suggest that the RFC increase its loan to Britain by an additional \$1,000,000,000 on the present security, with no restriction as to where the money is to be spent, and that the interest rate on the balance of the present loan and the \$1,000,000,000 additional be 2 percent, with all net earnings to be applied, first, to the interest on the loan and the balance on the principal. If these earnings hold up as they have over the past dozen years, and in all probability they will increase, the loan would be entirely repaid in about 40 years, and the British would still own their profitable investments in this country.

This would give Britain \$1,000,000,000 cash immediately, if she wants it, and without

any congressional action. A request to the RFC by the Federal Loan Administrator approved by the President, is all that is necessary.

I suggest that the RFC make further loans to the United Kingdom on British investments and operations in this country, up to the earning value of the security, upon the same terms and conditions—that is, 2 percent interest, with all additional earnings applied to the loan, and that the proceeds of such loans be available to Britain with no restrictions as to where the money shall be spent. This can also be done without congressional action.

Britain might, in a pinch, put up a few hundred million dollars of her gold now in this country.

IV

The President has recommended to Congress that we buy critical materials for stockpile purposes and put them away for future use. This should be done. The British can sell us many of these and pay for them in sterling. We can pay them in dollars. If necessary, we might consider making Britain an advance payment of, say, \$500,000,000 to enable her to get the materials out.

RFC employed this method to help China and Russia before lend-lease was applied to those countries. The loans are being paid according to agreement.

V

I further suggest that Congress consider authorizing the sale of cotton, tobacco, fruits and other farm products, durable goods and manufactured articles to the United Kingdom for the next few years on credit, in amounts equal approximately to her normal imports of such items from us.

In this connection I should like to remind the Congress that lending Britain dollars as is proposed in the present loan agreement does not insure that she will spend those dollars with our farmers, manufacturers, and exporters. She will be free to spend them in competition with us in world markets, and will.

Through Sir Stafford Cripps, president of the British Board of Trade, and Lord President of the Council Herbert S. Morrison, the British Government already has announced its intention to discard its 100-year-old free cotton market, and, instead, the Government will buy its cotton wherever it can buy it to its best advantage. The measure was heavily debated in the House of Commons only a few days ago, and carried by a vote of 2 to 1. This means that less and less of Britain's cotton requirements will be purchased in the United States.

The sale of farm commodities could be made through Commodity Credit Corporation or some other Government agency, or by our exporters with provision for cashing their drafts at the Treasury. Manufactured products and durable goods could be handled by a Government agency or by our exporters and their drafts cashed in the same manner. This procedure would not interfere with our regular export trade as it is now carried on.

VI

If these suggestions are followed, Britain would get substantially what she needs from us during the next few years, and, in my opinion, on a basis that would be much more acceptable to the American people than the proposed loan now before Congress.

I do not believe that our failure to give Britain \$3,750,000,000 on her terms will cause her to impose or continue trade restrictions or other sanctions that will seriously affect our own economy. That is a two-way street.

I have never been much interested in threats, and for the British to say to us that unless we give or lend her X billions of dollars on her terms, they will be forced to impose trade restrictions, dollar blocs, and so forth is not my idea of a fraternal associa-

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

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For actions of July 12, 1946
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HIGHLIGHTS: Senate passed price control. President approved bill to continue Land Bank Commissioner loans. Senate committee reported 3rd deficiency appropriation bill. Senate insisted, 23-53, on its amendment to strike out provision excluding packing-canning employees from NLRB. Senate agreed to McCarran motion to make President's reorganization plan unfinished business. House agreed to conference report on Government corporations appropriation bill; insisted on disagreement to Senate amendment authorizing TVA fertilizer plant. House laid on table resolution requesting Secretary to report on Mass. food-feed shortage. House Committee reported proposed Foreign Service Act sponsored by State Department.

SENATE

1. PRICE CONTROL. Passed 62-15; H. J. Res. 371, to extend and amend the Price Control and Stabilization Acts (pp. 8955-9010).

Agreed to the following amendments:

- By Sen. Overton, La., to prohibit price ceilings on grain for which Grain Standards Act standards have been set and livestock or poultry feed processed therefrom; by a 42-36 vote (pp. 8960-3). This amendment was a substitute for the amendment offered by Sen. Bridges, N. H., which was then agreed to, as amended by the Overton substitute, by a 45-34 vote (pp. 8963-4).
- By Sen. Hoey, N. C., to prohibit ceilings on tobacco and its products (p. 8964).
- By Sen. Johnston, S. C., to prohibit ceilings on cotton textiles on the basis of determining the basic grey goods cost or the finished woven fabrics cost to which a mark-up is to be applied based on the degree of integration of the seller (p. 8966).
- By Sen. Russell, Ga., to make pulpwood ceilings uniform throughout the country (pp. 8966-8).
- By Sen. Murdock, Utah, to prohibit CCC or any other Government agency from absorbing increases paid for Cuban sugar over 3.675 cents a pound (pp. 8968-9).

Rejected the following amendments:

- By Sen. Robertson, Wyo., to eliminate all price controls except on rents; by a 12-61 vote (pp. 8972-7).
- By Sen. Wherry, Nebr., to prohibit ceilings for any commodity below the level

necessary to afford dealers but the margins in effect in 1940; by a 29-46 vote (pp. 8977-83).

By Sen. Pepper, Fla., to restore most of the price-control law as it was before July 1; by a 23-52 vote (pp. 8983-9001).

Sens. Wagner, Barkley, Radcliffe, Downey, Tobey, Taft, and Millikin were appointed conferees (p. 9005).

The measure, as amended, is printed in the Record (pp. 9005-10).

2. THIRD DEFICIENCY APPROPRIATION BILL. The Appropriations Committee reported with amendments this bill, H. R. 6885 (S. Rept. 1708) (p. 8934). Provisions of the bill will be shown in Monday's Digest.

Sen. Cordon, Oreg., gave notice of intention to propose an amendment to authorize CCC to purchase surplus potatoes produced in 1946 and to dispose of such potatoes to any foreign country or UNRRA for foreign relief (p. 8935).

3. REORGANIZATION. On a motion by Chairman McCarran of the Judiciary Committee, made the President's reorganization plan 3 the unfinished business (p. 9010). The plans had been discussed earlier in the day by Sens. Wiley, Barkley, and others (pp. 8935-6, 8964-6).

4. LABOR-FEDERAL SECURITY APPROPRIATION BILL. Agreed to an additional conference report on this bill, H. R. 6739; and further conferees were appointed (pp. 8936-50). Insisted, 23-53, on striking out the Elliott amendment prohibiting NLRB orders, etc., regarding packing and canning employees (pp. 8938-50). House conferees were appointed also (p. 8932).

5. TREASURY-POST OFFICE APPROPRIATION BILL. Considered an amendment in disagreement regarding this bill (on silver prices, etc.); conferees were appointed for a further conference (pp. 8950-5).

6. WAR DEPARTMENT MILITARY APPROPRIATION BILL. Completed action on amendments in disagreement regarding this bill, H. R. 6837 (p. 8959). This bill will now be sent to the President.

7. VETERANS; TERMINAL LEAVE. H. R. 4051 (as reported July 11) provides for payment to enlisted members of the armed services for leave computed at the rate of 2-1/2 days per month, but not to exceed 90 days, less any leave taken, such payments to be made \$50 in cash and the balance in U. S. bonds to mature at 5 years, unless discharge occurred before Jan. 1, 1943, in which case payment will be all cash.

HOUSE

8. GOVERNMENT CORPORATIONS APPROPRIATION BILL. Agreed to the conference report on this bill, H. R. 6777 (p. 8862). The House further insisted on its disagreement to the Senate amendment authorizing a TVA fertilizer plant near Mobile, Ala.; after rejecting, 126-204, a motion by Rep. Whitten, Miss., to recede and concur with an amendment (pp. 8863-74). During the debate, Rep. Cooley, N. C., stated, "I have a letter from the Secretary of Agriculture and one from the master of the National Grange, both taking the position that this matter should be deferred until further consideration can be given it" (p. 8863).

9. FOOD SHORTAGE. Laid on the table H. Res. 565, requesting the Secretary to submit to the House a report on the food and feed shortage in Mass. (p. 8876). The motion was made by Chairman Flannagan of the Agriculture Committee, since he had received a letter from the Secretary on the situation. Rep. Rogers, Mass., said she was "not satisfied with what the Department of Agriculture has done in the distribution of food" (p. 8876). The resolution had been reported by the April

society today. Mr. President, this is an effort to deprive them of the right to organize and bargain collectively. I recall the period when the Senate was considering the so-called Wagner bill. At that time industry after industry used all the methods at their command in the effort to deprive the workers of the right of collective bargaining.

The present effort is of the same sort. We should stand firm for these unfortunate people, whom others are attempting to deprive of the right of collective bargaining. They now have that right under the National Labor Relations Act. The Social Security Act, however, contains a very broad definition of the term "agricultural worker." As the distinguished Senator from Vermont [Mr. AIKEN] said a little while ago, in the case of a thousand workers who are employed in a packing plant which is industrialized—and, by the way, it is no longer an agricultural industry; it has become industrialized—perhaps one or two members of the organization are doing agricultural work. In that case, under the definition, a union cannot be organized; or if it is already organized, it will be deprived of any right of collective bargaining under the National Labor Relations Act.

So, Mr. President, on the pending question the issue is clear. Those who vote "yea" will vote to deprive these workers of the right to bargain collectively. Those who vote "nay" will say to the House of Representatives, "We will not permit this method of indirection to be used to try to deprive the workers of a right which under a separate bill could not be denied them either in the Senate or in the House of Representatives."

So, Mr. President, I hope and pray that the Senate will stand firm.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. WAGNER. I yield.

Mr. AIKEN. I am sure the Senator from New York has observed that during this debate not one Senator has risen to defend the so-called Elliott rider. The only reason given why we should vote to accept the rider is that the House has voted for it by a record vote of almost 2 to 1.

Mr. WAGNER. Yes.

Mr. AIKEN. Does not the Senator from New York think, even though the House by a vote of 400 to 1 might vote to deprive a large segment of our people of the rights guaranteed them under the law, that still would not give any Member of the Senate any particular license to vote to follow that wrong or to put it into effect?

Mr. WAGNER. I agree absolutely with the Senator.

Mr. AIKEN. That is the only reason that has been given us as to why we should vote to accept the Elliott amendment.

Mr. WAGNER. And I think it is an invalid reason.

Mr. PEPPER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hawkes	Overton
Austin	Hayden	Pepper
Ball	Hill	Radcliffe
Barkley	Hoey	Reed
Bridges	Huffman	Revercomb
Briggs	Johnson, Colo.	Robertson
Brooks	Johnston, S. C.	Russell
Buck	Kilgore	Smith
Burch	Knowland	Stanfill
Bushfield	La Follette	Stewart
Byrd	Langer	Swift
Capehart	McCarran	Taft
Capper	McClellan	Taylor
Carville	McKellar	Thomas, Okla.
Chavez	McMahon	Thomas, Utah
Cordon	Magnuson	Tobey
Donnell	Mead	Tunnell
Downey	Millikin	Wagner
Eastland	Mitchell	Walsh
Ferguson	Moore	Wherry
Fulbright	Morse	White
Gossett	Murdock	Wiley
Green	Murray	Wilson
Guffey	Myers	Young
Gurney	O'Daniel	
Hart	O'Mahoney	

The PRESIDING OFFICER. Seventy-six Senators have answered to their names. A quorum is present.

Mr. MEAD. Mr. President, I shall detain the Senate for only a short time. I have been attending a committee meeting, and I understand that the Senate is about to vote on the so-called Elliott rider. I was a member of the subcommittee, and also the full committee, both of which considered the matter. I presume that it has been pointed out that the subcommittee, as well as the full committee, took decided action with regard to this question, which was affirmed by the Senate, but not by a record vote. I understand that the other House took a record vote before the Senate voted, and also one record vote since the Senate voted. I hope that we will have a record vote, and that it will sustain the committee so that the bill, containing the Senate amendment striking out the Elliott amendment may be sent back to the other House. The unfairness which would result by adoption of the Elliott rider has been pointed out, as well as the attitude which has been taken by the circuit court of appeals and by the United States Supreme Court. Mr. President, I hope we will stand by the action which was taken by the subcommittee and the full committee of the Senate, and vote against the Elliott rider.

SEVERAL SENATORS. Vote! Vote!

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada [Mr. McCARRAN] that the Senate recede from its amendment numbered 39.

Mr. BALL. Mr. President, on this question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McCARRAN. Mr. President, as has been stated on the floor of the Senate, the so-called Elliott rider, which was put into the bill on the floor of the House of Representatives, was stricken by an overwhelming vote in the subcommittee and the full Committee on Appropriations of the Senate. On each occasion I voted to strike out the Elliott rider.

We now have arrived at the place where no longer can the conferees on the part of the Senate act without fur-

ther instructions from the Senate, and they have directed me to make the motion which I have already made. I have made the motion so that the Senate may vote positively and emphatically whether it wishes to recede from its amendment No. 39 and thus retain the rider in the appropriation bill.

Mr. President, if there is one thing which I dislike above all else in connection with appropriations, it is the writing of legislation in appropriation bills. The rule of the Senate is that when a legislative rider is placed in an appropriation bill, the Senator in charge of the bill on the floor of the Senate shall raise the point of order. The Elliott rider was placed in the bill by the other House.

I wish to say that on this question I shall vote to sustain my own motion, but if I am voted down it will not break my heart.

Mr. MURDOCK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MURDOCK. As I understand, a vote "nay" will be against the Elliott rider. Am I correct?

The PRESIDING OFFICER. The Senator is correct.

The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS] and the Senator from North Carolina [Mr. BAILEY] are absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Montana [Mr. WHEELER] are absent by leave of the Senate.

The Senator from Mississippi [Mr. BILBO] and the Senator from Arizona [Mr. McFARLAND] are detained on public business.

The Senator from Georgia [Mr. GEORGE] and the Senator from Illinois [Mr. LUCAS] are detained at an important meeting of the Joint Committee To Investigate the Pearl Harbor Attack.

The Senator from Rhode Island [Mr. GERRY] is unavoidably detained.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Maryland [Mr. TYDINGS] are absent on official business, having been appointed to the commission on the part of the Senate to participate in the Philippine independence ceremonies.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

If present and voting, the Senator from Illinois [Mr. LUCAS], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Montana [Mr. WHEELER] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on

official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Maine [Mr. BREWSTER] and the Senator from Nebraska [Mr. BUTLER] are absent on official business, being members of the commission appointed to attend the Philippine independence ceremonies.

The Senator from Minnesota [Mr. SHIPSTEAD] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The result was announced—yeas 23, nays 53, as follows:

YEAS—23

Ball	Gossett	O'Daniel
Bridges	Gurney	Overton
Buck	Hart	Reed
Burch	Hawkes	Robertson
Bushfield	Hoey	Swift
Byrd	McCarran	Wherry
Capper	McClellan	White
Eastland	Moore	

NAYS—53

Aiken	Johnson, Colo.	Radcliffe
Austin	Johnston, S. C.	Revercomb
Barkley	Kilgore	Russell
Briggs	Knowland	Smith
Brooks	La Follette	Stanfill
Capehart	Langer	Stewart
Carville	McKellar	Taft
Chavez	McMahon	Taylor
Cordon	Magnuson	Thomas, Okla.
Donnell	Mead	Thomas, Utah
Downey	Millikin	Tobey
Ferguson	Mitchell	Tunnell
Fulbright	Morse	Wagner
Green	Murdock	Walsh
Guffey	Murray	Wiley
Hayden	Myers	Wilson
Hill	O'Mahoney	Young
Huffman	Pepper	

NOT VOTING—20

Andrews	George	Saltonstall
Bailey	Gerry	Shipstead
Bilbo	Hatch	Tydings
Brewster	Hickenlooper	Vandenberg
Butler	Lucas	Wheeler
Connally	McFarland	Willis
Ellender	Maybank	

So Mr. McCARRAN's motion to recede was rejected.

Mr. McCARRAN. Mr. President, I move that the Senate further insist on its amendment, request a further conference with the House thereon, and that the Chair appoint the same conferees at the further conference.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. McKELLAR, Mr. RUSSELL, Mr. MEAD, Mr. MURDOCK, Mr. WHITE, Mr. BALL, and Mr. BRIDGES conferees on the part of the Senate at the further conference.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 4080) to amend section 476, Revised Statutes (U. S. C.,

title 35, sec. 2), providing for officers and employees of the Patent Office, and for other purposes; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. BOYKIN, Mr. LANHAM, and Mr. HARTLEY were appointed managers on the part of the House at the conference.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6777) making appropriations for Government corporations and independent executive agencies for the fiscal year ending June 30, 1947, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 2, 3, and 4 to the bill, and concurred therein, severally with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendment of the Senate numbered 1 to the bill.

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS, 1947

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on a certain amendment of the Senate to House bill 5452, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.

July 11, 1946.

Resolved, That the House further insist upon its disagreement to the amendment of the Senate numbered 7 to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

Mr. GREEN. Mr. President, I move that the Senate recede from its amendment numbered 7, which is the only point in difference between the Senate and the House.

Mr. McKELLAR. Mr. President, before action is taken on the motion, I think it should be stated what the motion affects.

What is before the Senate is the so-called silver amendment. Several days ago we had a vote on it, and while I do not believe there was a yea-and-nay vote, by a considerable majority a compromise amendment was adopted and sent to the House, but was rejected by the House.

The provision which the Senate had under consideration was put into the Treasury and Post Office appropriation bill by the House, so it was not subject to a point of order in the Senate. If it had been, I would have made the point of order, and disposed of the matter in that way. The provision should not be a part of the Treasury and Post Office appropriation bill. It has tied that bill up for 2 or 3 months, if I remember the dates correctly. Today is the 12th of July, and on the 15th, unless the bill is passed, the employees of the Treasury Department and the Post Office Department will be without pay, as they are paid twice a month, on the 15th and the 1st.

The more closely I have examined the silver situation the worse it has grown, so far as I am able to determine. I have

found by actual purchase of silver articles that silver has risen in price three or four times what it used to be, while everything else was held down by price controls or otherwise.

It is proposed that the Government sell silver to the manufacturer of silver commodities at 71 cents an ounce. The provision is "not less than 71 cents an ounce." When we have passed the law, it has always been taken to mean 71 cents an ounce, and the Treasury sells it to the silver manufacturers at 71 cents, a very low price for silver.

Who will make the profit, with the prices of manufactured silver articles as high as they now are, when the manufacturers can get silver from the Government, if the amendment shall be agreed to, at the low price provided? It will be the manufacturers, and of course the manufacturers are very much in favor of it. I do not blame them. Anyone who is getting something out of the Government at a low price, or getting something for nothing, is always, of course, very much in favor of it, and the manufacturers of silver are very much in favor of leaving the law as it is, because they get this subsidy from the Government; that is what it amounts to.

Mr. BARKLEY. Mr. President, will the Senator from Tennessee yield?

Mr. McKELLAR. I yield.

Mr. BARKLEY. Is it or not true that the manufacturers who buy silver from the Government at the 71-cent rate are in competition with silver manufacturers who pay the market price for silver outside the Government's supply?

Mr. McKELLAR. If they buy it outside, of course they are.

Mr. BARKLEY. The price of the silver finished product is approximately the same, to those who buy it, whether the manufacturer pays 71 cents, or 90 cents, or whatever the price may be. I think the market price now is about 90 cents. In other words, the manufacturers do not make any reduction in the price of the finished product because they get the silver at 71 cents instead of 90 cents?

Mr. McKELLAR. Oh, no; they do not make any reduction. What they are getting is a subsidy from the Government, if we adopt the provision suggested. I think it would be little short of outrageous for us to agree to such a provision as that for the benefit of a very small portion of our population. I do not think we should do it.

Mr. BARKLEY. If the Senator will permit, I have here a statement issued yesterday by Handy & Harmon, precious metal merchants with offices at 82 Fulton Street, New York, dated July 11, in which it is said:

The issue over release of Treasury silver is still in the hands of the Senate-House conference committee and no agreement has been reached as yet.

Meanwhile, in the absence of any OPA ceiling, silver has been offered in the market today, and we have established a New York official quotation of 90½ cents.

It has been possible for us to buy silver today, so we will sell to customers as we always have, on the basis of the current day's quotation.

That is 90½ cents.

Mr. McKELLAR. Mr. President, of course it is absolutely unfair and unjust to give a small body of our citizens this gratuity, this subsidy, at the expense of all the people, and no legislative body ought to be guilty of permitting such a thing. I do not have the slightest interest in silver in any way, shape, or form, except as I get a few dimes and quarters and half-dollars occasionally. I am not interested in the slightest degree in silver. I am not interested in the manufacturers of silver. Two or three manufacturing houses in my State that have written me favor the subsidy, but I feel that it is my duty as a legislator to do what is the right thing toward all the people, and the right thing in this case is not to grant the subsidy. Incidentally, I have no doubt I may lose a few votes on account of my position, because when a Member of Congress does not vote for what some of his constituents want they will be against him. I will have to take that chance and I am taking it in this matter. There are no voters on the other side of the question. So the matter of votes does not enter into the equation in my consideration of the question.

With the world price of silver what it is, I do not think this body ought to sell silver to the favored few at 71 cents an ounce and allow them to sell it at the enormous increase in prices at which they are selling it today, amounting to \$3 or \$4 an ounce, after it is manufactured. For that reason I appeal to the Senate, just as I appealed to the Senate the other day to vote down the motion made by the Senator from Rhode Island.

The Senator from Arizona [Mr. HAYDEN] and I—the Senator from Arizona doing most of the work—arranged this compromise and put it forward. We thought it would be acceptable to everyone. It ought to have been acceptable to everyone. No one should have objected to its terms. The price of silver being what it is today, the compromise would do no one any harm. It would give no one a subsidy. It would not favor a group that ought not to be favored. We ought to be fair and just in this matter, and for that reason, much as I love the Senator from Rhode Island personally, I hope his motion will be voted down. I am very anxious that it be voted down. I ask the Senate to repeat the vote it made the other day, and uphold the compromise which was then adopted.

Mr. HAYDEN. Mr. President, I have read the RECORD of what occurred in the House with respect to this matter. One of the statements made upon the floor was:

The Senate acted entirely without a roll call and without consideration of the merits of this matter after the House had a roll call. They asked for a conference without any authority to go to a full and free conference, which is something we should not do.

The House totally misunderstood the attitude of the Senate with respect to a full and free conference. What the Senate did was to say, "We will agree with the House that we will not advocate \$1.29 for silver." We offered them a compromise at a lower price, which was 90.3, and we would go to conference and talk

with the House conferees about it. Of course it would still be a free conference. Only day before yesterday when a conference was held in the Appropriations Committee room on the Government corporations bill, the House conferees came instructed not to agree to a Senate amendment providing for a fertilizer plant at Mobile, Ala. Because they came instructed we did not decline to meet with them. Under these circumstances my suggestion is that the Senate have a yea-and-nay vote, that it vote down the motion made by the Senator from Rhode Island, and that then the Senate ask for a further conference with the House. I think if we go to conference after such action we can arrive at a compromise. A compromise is asking someone who asks more to ask less, and someone who offers less to offer more. That is what we can do, and we can adjust the matter if we go to a conference of that kind. What the House did was to decline to appoint conferees. We have to ask them for a conference again, and should do so after we have had a yea-and-nay vote. I therefore ask for the yeas and nays on the motion made by the Senator from Rhode Island.

The yeas and nays were ordered.

Mr. BROOKS. Mr. President, I desire to reiterate what I said on a previous occasion when this question was under consideration, and to ask that the Senate action be reversed. We were told that we had to hurry and agree to the compromise in order to provide for paying the employees of the Treasury Department and the Post Office Department. It was said that the proposed compromise had not been voted on by the House. We agreed to the compromise, and then the House voted "no." Now it is proposed that we take one more jab at what the House has three times refused to do.

Mr. HAYDEN. The House has never voted on this proposition. The last vote the House had with respect to the measure was whether it would agree to a dollar and 29 cents an ounce. We knew they would not agree to that. Anyone who was familiar with conditions there, as a great many Senators are, must have known that the House would not agree to that.

Mr. BROOKS. What did the House vote on since the Senate voted last?

Mr. HAYDEN. The House simply declined to have a further conference, because the House apparently did not like the way we went at it and instructed our conferees. But we should not instruct our conferees this time. We can simply vote and go back to a conference without instruction. We can come to an accord in the matter.

Mr. BROOKS. Mr. President, I desire to speak in behalf of the motion made by the Senator from Rhode Island. I am, of course, interested in the situation respecting the employees of the two departments, but I am more interested in the way the legislation concerning silver has been held up in the Senate, thereby forcing out of employment all over the country, hundreds and thousands of employees who are engaged in photographic work, in the manufacture of jewelry and in the manufacture of silver articles.

Some of us have been pleading for months to get some action on this subject. Three times the House has said it will not go above 71 cents. I think it will be a futile thing to go back to the House again.

I wish to say once more that constantly I have been opposed to subsidies. It is rather strange to hear, in connection with the silver situation, the cry raised against a subsidy which is small in comparison with the subsidies for which the Senate has voted time after time.

Mr. HAYDEN. The Senator may not be aware that the trade is willing to pay the price represented by the compromise. The fact is that the market price, as it was read into the RECORD today, is 90 cents. The difference between that and 71 cents, on 100,000,000 ounces of silver, which is about what will be purchased, will mean \$20,000,000 to the Treasury of the United States. That is what it will mean to the Treasury of the United States if the manufacturers buy silver at the market price of approximately 90 cents, as compared to 71 cents. We should ask the manufacturers to pay the market price.

Mr. BROOKS. My plea is, Mr. President, that we have some action. Three votes have been taken in the House, which show that the House has made up its mind on this question.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. BROOKS. I yield.

Mr. MEAD. I am in sympathy with the position my colleague from Illinois has taken in this matter. I believe he has stated the House position accurately, with the exception that the House provision will permit the Treasury to pay a sum in excess of 71.1 cents an ounce, if it is the determination of the Treasury to do so. In other words, it puts the floor at 71.1 cents, below which the Treasury will not go, but it can go higher. Therefore it occurs to me that we ought to agree with the House because, as my colleague from Illinois has well said, the House has taken a determined stand on several occasions, and we have only been postponing action by what we have done heretofore. I should like to see a record vote taken, and I should like to see the position of the Senate more in harmony with the position taken by the House.

Mr. BROOKS. I thank the Senator.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. BROOKS. I yield.

Mr. REVERCOMB. I should like to address this question to the Senator from Arizona. Was I correct in understanding him to say that if the matter went to conference there was the possibility of a compromise below the 90.3 cents?

Mr. HAYDEN. If we go to a free conference we can come to any particular point we want to. We can go to conference and recede, and agree with the House. We can go to conference and agree to make the price \$1, so far as the conferees are concerned. I would not advocate anything of that kind, because the Senate has voted that the price should not be more than 90.3. As a conferee I would feel that we could not ask more than that.

Mr. REVERCOMB. That is the point I want to bring out. If a further conference is had, the price may be raised above 90.3?

Mr. HAYDEN. No; as a conferee representing the Senate I myself would not feel that anything like that would be justified.

Mr. BROOKS. Would the Senator feel that a compromise between 71 cents and 90 cents was within the province of the conferees?

Mr. HAYDEN. Certainly.

Mr. BROOKS. Very well. I hope the motion of the Senator from Rhode Island will prevail.

Mr. TAFT. Mr. President, we have had this silver question before us all of this session. From the very beginning I was appealed to to try to have silver made available here, simply because enough silver to supply the American industry was not available in the rest of the world. It seemed to me that those interested in silver ought to be able to pay the world price for silver, whatever it may be. But silver is so controlled that as a practical matter the Government fixes its price. The Congress fixes the price of silver, and when we come down to the ultimate analysis of what we should do we must determine what is a fair price for silver. I do not see any way that we can avoid that question.

I myself think that 90 cents is a fair price for silver for the next 2 years. I objected very strenuously to going beyond that point and fixing a price of \$1.29, but, so far as the present price is concerned so far as we can judge from world price figures—and they are not very reliable because the Government has control of the price—90 cents is a fair price from the point of view of supply and demand. Silver has not been produced during the war, so it is in short supply, and the demand is just as great as it has ever been, or even greater.

That is not a condition peculiar to the situation after this war. After the previous war, silver went to \$1.37 an ounce before it came down again. Subsequently, it came down to something like 35 or 40 cents an ounce. But, so far as we are concerned, we must determine what the fair price of silver is. Apart from the world price—the supply-and-demand price—apparently the cost of production has increased in the case of silver as it has increased in the case of all other articles. It seems to me that the increase in price from 72 cents to 90 cents is a very fair estimate of what the increased cost of producing silver is. If we have the obligation of fixing the price, I think it should be fixed at 90 cents. I believe that the compromise reached between producers and users of silver was very fair and in accord with general conditions which exist throughout the world.

I talked with several House Members this morning, and the objection they made was, "The Senate has never taken a vote on the subject. We think that perhaps only a few Senators favor a price of 90 cents, and that if a vote is taken some other figure will be favored." So I believe that if we take a vote and determine that 90 cents is a fair price—and I believe it is—the House will accept it.

I hope very much that the motion of the Senator from Rhode Island will be rejected.

Mr. WALSH. Mr. President, I should like to make some inquiries of the Senator from Rhode Island.

I understood the Senator from Rhode Island to state on the floor of the Senate the other day that the Treasury Department made no objection to the price of 71.11 cents. Is that correct?

Mr. GREEN. I stated that the Secretary of the Treasury wrote to the Senate Banking and Currency Committee, when the Green bill was before it and hearings were being held, that he favored the bill. The bill calls for a price of 71.11 cents.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. WALSH. In a moment.

During the debate 2 days ago the able Senator from Arizona [Mr. HAYDEN] read a letter from the Treasury Department. From the first reading of the letter it would appear that the Treasury Department had taken a different position. As I read the letter—and I ask the Senator if this is true—the position of the Treasury is that if the Congress wishes to increase the price, the Treasury will go along with it; but it has not changed its position as previously presented to the committee.

Mr. GREEN. I have not seen the letter. I heard it read on the floor of the Senate. But as I heard it read, it seemed to me entirely consistent. The Secretary did not say that he had changed his position as to the price of 71.11 cents in the original bill. As I understand, he stated that if the Congress should determine to fix a price of 90 cents, he would go along with it. Of course he would.

Mr. WALSH. I have the letter before me. It reads, in part, as follows:

If the Congress should decide that Treasury silver is to be made available for industrial use only at a price of approximately 90.3 cents an ounce, and at the same time that the price paid by the Treasury for newly mined domestic silver should be increased to approximately 90.3 cents an ounce, the Department would not be disposed to object. On the other hand, the Treasury would be strongly opposed to any legislation ultimately increasing the price paid by the Treasury for newly mined silver to \$1.29.

I interpret that statement to mean that the Treasury said that it was up to the Congress. But when the bill was first presented apparently the Treasury Department was content with the prevailing price, namely, 71.11 cents.

Mr. GREEN. Very true; and so far as I know it has never contradicted that position.

Mr. WALSH. The Senator is now referring not only to what was developed at the hearings, but also the results of various conversations with agents of the Treasury. Is that correct?

Mr. GREEN. The Senator is correct.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. WALSH. In a moment. As I understand, the price which the House has agreed upon would last for 2 years.

Mr. GREEN. That was the provision in the original bill.

Mr. WALSH. It is in this amendment,

Mr. GREEN. That was in the language of the House appropriation bill.

Mr. WALSH. Under the language of the bill as it comes to us from the House, it is permissible for the Treasury Department, in its judgment, to increase the price at any time during the next 2 years.

Mr. GREEN. A floor was put under the price, but there was no ceiling. The Treasury can charge not less than 71.11 cents, and it can go up to 90 cents if it feels that that is justifiable. If it wished to do so it could go up to \$1.29.

Mr. WALSH. Who originally fixed the price of 71.11 cents? Was that done by Congress or by the Treasury?

Mr. HAYDEN. I can tell the Senator the answer to that question. That price was originally fixed by an act of Congress passed in 1936. The late Senator Alva Adams, of Colorado, introduced the bill.

Mr. WALSH. But that act has been continued from year to year.

Mr. HAYDEN. No.

Mr. WALSH. For how long a time?

Mr. HAYDEN. It is permanent law.

Mr. WALSH. Why is it terminating now?

Mr. HAYDEN. It does not terminate. With respect to the price paid to American miners for producing silver mined within the United States or any of its possessions, the law provides that the seigniorage shall be 45 percent, and the miner shall receive 55 percent of the value. When we translate the 45-percent seigniorage and the 55 percent paid to the miner, it amounts to 71.1 cents.

Mr. WALSH. If no action at all were taken, and this entire amendment were eliminated, what would the price for commercial silver be?

Mr. HAYDEN. The price which the miner would receive for his silver would be approximately 71 cents. The price for commercial silver, according to today's quotation, would be 90 cents.

Mr. WALSH. Why has the price not been changed before?

Mr. HAYDEN. Because there was an OPA ceiling.

Mr. WALSH. What was that?

Mr. HAYDEN. The OPA ceiling was fixed at 71.1 cents.

Mr. WALSH. How long has that been in effect?

Mr. HAYDEN. Ever since the OPA fixed the ceiling. In the absence of a ceiling, the market price is 90 $\frac{3}{8}$ cents.

The Senator referred to conversations with agents of the Treasury. I think it would be proper for me to say that when this compromise was under consideration at the beginning I conferred with Mr. Vinson, Secretary of the Treasury, and asked him what he thought would be a fair thing to do. He stated that Mr. White was his expert in the matter, and asked me to consult with him. I did so. When we talked about the price of 90 cents, Mr. White said, "I think that would be a fair price. It amounts to an increase of 26 $\frac{1}{2}$ percent over the price fixed 10 years ago. Prices in general have gone up more than that. I think that would be a fair price, and the Treasury should not object to it."

That is why I contend that this letter implies that the Treasury would be

entirely satisfied with that price. The same statement is repeated in a letter written by the Acting Secretary of the Treasury to the House of Representatives. The Treasury Department is satisfied at this moment with this price, and will be glad to operate under it.

Mr. WALSH. If the language in the House provision is retained, tomorrow, or after this law becomes effective, the Secretary of the Treasury can increase the price to the market price if he wishes to do so.

Mr. HAYDEN. Undoubtedly he has that privilege, but he has never previously changed the price when Congress has fixed it, and I doubt if he would do so in this case. Congress has fixed the price to the miner at 71 cents. Why should we pay the miner 71 cents and charge someone else 90 cents? It is not logical.

Mr. WALSH. In view of the insistence of the House, I think we ought to agree to the House attitude. As I understand, the House has taken two votes on the subject.

Mr. GREEN. Mr. President, will the Senator from Massachusetts allow me to finish my reply to his question?

Mr. WALSH. Certainly.

Mr. GREEN. The Secretary of the Treasury was not the only one who wrote to the Senate committee approving the bill which included the price of 71.11 cents. There were also letters—

Mr. WALSH. What date was that?

Mr. GREEN. I think that was last November. The Administrator of the Civilian Production Administration also wrote a letter to the same effect. The Administrator of the Office of Price Administration also wrote a letter favoring Senate bill 1508, which contained the same language as that incorporated in the House appropriation bill.

Furthermore, I cannot understand the violent objection on the part of some Senators to my motion based upon the letter of the Secretary of the Treasury. If the Secretary of the Treasury wishes to sell silver at 90 cents, and feels that that is a fair price, he has the authority to sell it at that price.

Mr. McKELLAR. He has never done so under the present law.

Mr. WALSH. The language is "not less than 71.11 cents." He may sell it for any additional amount he may fix.

Mr. GREEN. It is in his discretion. So what is the reason for the violent opposition to letting him have the discretion, if it is claimed that he is in favor of a price of 90 cents?

Mr. TOBEY. Mr. President, I wish to address my remarks to the Senator from Nevada [Mr. McCARRAN].

Some years ago the silver question was before the Senate, and the late lamented senior Senator from Nevada, Senator Pittman, was speaking. The question involved was an increase in the price of silver. It had already increased, and it was desired that it go still higher. Taking the disparity between the price of silver a few years ago and the price under the new legislation, I asked him how much the wages of the toilers who worked in the mines to produce the silver had increased, and whether they had increased in proportion to the rise in the

price of silver. It developed from his own testimony that wages had not risen at all, while the price of silver had gone up very materially.

My question is this: Have the wages of the men who work in the mines, the toilers who produce silver, increased as the price of silver has risen? If so, to what extent?

Mr. McCARRAN. I suppose I should give the answer in percentages. At this moment I am unable to do so. However, I quote liberally from the testimony before the Committee on Appropriations. When the mine operators and owners were before the committee they testified that wages and other costs of production, such as powder, steel, and other equipment necessary for mining, had increased to a far greater extent than the increase which was sought in the price of silver.

Furthermore, and I call this matter especially to the attention of the Senate, today, with one exception, there are no straight silver mines in operation. The exception is one mine in the State of Idaho, known as the Sunshine Mine, which has a ledge that runs rich in silver. But all other silver produced in the United States today comes as a byproduct from the production of copper, lead, and zinc.

Mr. MURDOCK. Mr. President, will the Senator yield to let me speak on the question of wages.

Mr. McCARRAN. I do not have the floor.

Mr. TOBEY. I yield.

Mr. MURDOCK. I should like to call the Senator's attention to the fact that strikes in the metal mines in my State were just recently settled on the basis of a wage increase of 18½ cents an hour. That happened within the last week.

Mr. TOBEY. I am glad to have that information, because it is in such marked contrast to the testimony of the late Senator Pittman, and I wondered whether there had been some change to the benefit of the men who do the toil.

Mr. McCARRAN. Let me say that I believe it was in 1934 when the late Senator Pittman was working to get through his Silver Purchase Act, to which the Senator from New Hampshire has referred. At that time the increase in wages paid to the miners was not what it is today. Today the situation is very different, and conditions in every respect are much different.

But I wish to recur, if I may in the Senator's time, to the point that during the war the Secretary of the Treasury came before what is known as the Silver Committee of the Senate and again requested that we cooperate with him and give our sanction, as much as we could, to having him send silver to Great Britain. We asked him why it was that he did not get silver from other sources. He repeatedly said, and I use his very expression, "Gentlemen, I have scraped the bottom of the barrel of the world to get silver." And that is true. The facts have established it since that time.

In order for us to get silver, it must be taken from the earth. In order to take it from the earth, we must meet the cost of production of silver from the earth. The 90-cent compromise will in

a measure, and a slight measure, indeed, meet the cost of production.

Mr. TOBEY. I thank the Senator.

Mr. MILLIKIN. Mr. President, I should like to make an observation supplementing that which has been made by the distinguished senior Senator from Nevada. There seems to be an impression, which I believe has been rather studiously cultivated, that Senators from the silver States are out to oppress the fabricators of silver.

In the first place, it is clear, I believe, without argument, that no silver fabricator has a right to go to the Treasury of the United States and buy silver at a price below its monetary value. Obviously, the Treasury can take the unmonetized silver which it has, monetize it, and pay \$1.29 worth of debt for every ounce of it. But during the war a number of nations, as has been pointed out by the distinguished senior Senator from Nevada, and the silver fabricators made it clear that they had scraped the bottom of the silver barrel. The fabricators said "We cannot keep our men employed unless we can get silver from the Treasury."

Mr. President, that is a very extraordinary procedure. The ordinary citizen who wants to buy property of the United States must buy it at the highest bid. But in order to meet the emergency in which the fabricators found themselves, all of us cooperated. Although we believed that silver was worth \$1.29 an ounce, because it would liquidate \$1.29 worth of debt of the United States, all of us cooperated in seeing that for a temporary period, while the emergency lasted, the fabricators could get silver for 70 cents an ounce.

Today everything has gone up in price. Today silver in the free market of this country is 90 cents an ounce. We are still willing to try to accommodate the silver fabricators, and we have tried to make an adjustment between the two extremes of \$1.29 an ounce, on the one hand, and 70 cents an ounce, on the other hand. We have tried to make a compromise or an adjustment price of 90.3 cent an ounce, which I respectfully submit is a fair, sound adjustment between what otherwise would have been two irreconcilable positions.

So, Mr. President, I earnestly hope that the Senate will reject the motion of the Senator from Rhode Island.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island.

Mr. REED. Mr. President, on this question I have been one of the conferees on the part of the Senate from the beginning. I have been one of the conferees who has steadily gone along trying to find a common ground. I have felt that the silver-producing States and the users of silver have been entitled to all the consideration that the conferees have extended to them.

On the other hand, it should be evident to anyone who will take the pains to read the record of the proceedings in the House yesterday that there is no apparent change in the attitude of the conferees on the part of the House. It is true that in the House yesterday the point was made that the Senate had not

actually taken a vote on the matter. Therefore, I am in favor of having the Senate take a vote on it, and I shall vote against the motion of the Senator from Rhode Island.

But the Senator from Illinois is not far wrong when he says that he can detect no change in the attitude of the conferees on the part of the House. If we read the RECORD yesterday, we find that that is the case.

One of the conferees on the part of the House has been willing to accept a price of 90 cents an ounce at any time. But the other conferees would not agree with him. Representative O'NEAL, who is chairman of the conferees on the part of the House, made this reply:

The purpose of the committee is to further insist on the disagreement to the Senate amendment which means that we shall stand by the provisions of the House bill as originally passed by the House.

That bill carries silver at 71 and a fraction cents an ounce.

Then the following occurred:

Mr. CHENOWETH. As I understand the situation, the Senate yesterday voted to amend its position to agree to a price of 90.3 cents.

Mr. O'NEAL. In effect, that is the major change.

Mr. CHENOWETH. Do I understand that the gentleman is opposed to that?

Mr. O'NEAL. The gentleman representing the committee is opposed to that.

But, Mr. President, I think the solution is easy enough to reach. We have been worrying with this question now for 3 months. If it will do the House any good to have the Senate take a ye-and-nay vote on the question, I am in favor of having the Senate take such a vote, and to make one more effort. After we have made one more effort, I shall ask to be relieved from further service on the committee of conference, unless an adjustment is reached.

Mr. MAGNUSON. Mr. President, I wish to say that there is another reason why we should do something about silver. Under the price of 71.1 cents an ounce, many silver mines are not operating. In many cases silver is a byproduct which is obtained from the production of lead and zinc and copper. Lead is today one of the scarcest commodities in the United States. There is a very great shortage of lead. The storage-battery situation will become acute in the next few months unless more lead is produced. So the situation is acute, not only with respect to silver, but with respect to lead and zinc; and it will become even more acute unless something is done about this situation.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island. On this question the yeas and nays have been ordered. The clerk will call the roll.

Mr. GREEN. Mr. President, in view of the statements which have been made on this question, I wish to make a few brief comments before the vote is taken.

One is with respect to the appeal which the able Senator from Tennessee made in the interest of the post-office clerks and the Treasury clerks. As I stated the other day when this matter was before the Senate, if my motion had been adopted at that time, this bill would

have gone to the White House that afternoon. But hopes were held out—in fact, I think I may say that expectations were held out—that if the Senate took the opposite action, the House would concur.

The other point is that reference has been made to the small number of persons who are interested or concerned with this legislation. If we consider, not only the manufacturers in the various businesses which are concerned with this question, but the electric industry, the motion-picture industry, the dental-supply industry, the photographic industry, and the silver-plating industry, we must realize that hundreds of thousands of employees are concerned. Many of them already have been thrown out of work, and many more are threatened with a cessation of work unless this legislation is enacted. That is one point.

The other point is that reference has been made to the market price. There is no such thing as a market price on silver. I think the very letter which was read here this afternoon proves that.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me?

Mr. GREEN. I prefer to finish my brief statement, and then I shall be glad to yield.

Mr. President, up until day before yesterday, Handy & Harmon, whose letter was read, made a quotation of 70 and a fraction cents as the price of silver. Then, the day before yesterday, the Senate affirmed 90 cents as the price. The bill went to the other House. It was confidently expected that the House would pass it. The next morning the market price was quoted at 90 cents and a fraction. One day the price was 70 cents. The next day after the motion was agreed to by the Senate the price was 90 cents, and the next day the market price was 90 cents. I maintain that the market price is coincidental with the arbitrary price fixed in the legislation.

Mr. JOHNSON of Colorado. The Senator's comments on the price of silver are very interesting. I believe that in 1942 he introduced a bill providing for 50-cent silver. Am I not correct? Did not the Senator have a bill before the Congress to sell silver out of the Treasury at 50 cents an ounce?

Mr. GREEN. In the bill which I introduced the price was 71.11 cents. The second time the bill was before the Congress, 2 years later, the price was 71.11 cents. I hope that now, for the third time, the Senate will take some action at 71.11 cents.

Mr. JOHNSON of Colorado. Did the Senator fix in his bill the price of 50 cents?

Mr. JOHNSON of Colorado subsequently said: Mr. President, earlier in the day, during a colloquy between myself and the Senator from Rhode Island [Mr. GREEN], I mentioned the fact that at one time he sponsored legislation which provided for a price of 50 cents an ounce for silver. I ask unanimous consent to have inserted in the RECORD at the close of the colloquy a copy of the bill, Senate bill 2768, which was introduced by the Senator from Rhode Island.

There being no objection, the bill (S. 2768) to authorize the use for war purposes of silver held or owned by the

United States was ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That notwithstanding any other provision of law, the President is authorized, through the Secretary of the Treasury, upon the recommendation of the Chairman of the War Production Board, to sell or lease, upon such terms as the Secretary of the Treasury shall deem advisable, to any person, partnership, association, or corporation, or any department of the Government, for use in furtherance of the war effort, including but not limited to the making of munitions of war and the supplying of civilian needs contributing to the war effort, and the converting of existing plants to those purposes, any silver held or owned by the United States: *Provided*, That the average price for all silver sold under this act shall not be less than 50 cents per fine troy ounce: *Provided further*, That at all times the ownership and the possession of an amount of silver of a monetary value equal to the face amount of all outstanding silver certificates heretofore or hereafter issued by the Secretary of the Treasury shall be maintained by the Treasury.

Sec. 2. Authority to sell silver under this act shall expire on December 31, 1944.

SEVERAL SENATORS. Vote! Vote!

Mr. BRIDGES. Mr. President, what is the question before the Senate?

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Rhode Island [Mr. GREEN] that the Senate recede from its amendment No. 7.

On this question the yeas and nays having been ordered; the clerk will call the roll.

The legislative clerk called the roll.

Mr. HILL. I announce that the Senator from Florida [Mr. ANDREWS] and the Senator from North Carolina [Mr. BAILEY] are absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] and the Senator from Montana [Mr. WHEELER] are absent by leave of the Senate.

The Senator from Mississippi [Mr. BILBO] and the Senator from Arizona [Mr. MCFARLAND] are detained on public business.

The Senator from New Mexico [Mr. HATCH] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Maryland [Mr. TYDINGS] are absent on official business, having been appointed to the commission on the part of the Senate to participate in the Philippine independence ceremonies.

The Senator from Texas [Mr. CONNALLY] is absent on official business, attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of State. He has a general pair with the Senator from Michigan [Mr. VANDENBERG].

If present and voting, the Senator from Florida [Mr. ANDREWS], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Montana [Mr. WHEELER] would vote "nay."

Mr. WHERRY. The Senator from Michigan [Mr. VANDENBERG] is absent on official business attending the Paris meeting of the Council of Foreign Ministers as an adviser to the Secretary of

State. He has a general pair with the Senator from Texas [Mr. CONNALLY].

The Senator from Massachusetts [Mr. SALTONSTALL] is absent on official business, having been appointed a member of the President's Evaluation Commission in connection with the test of atomic bombs on naval vessels at Bikini.

The Senator from Iowa [Mr. HICKENLOOPER] is absent by leave of the Senate on official business as a member of the Special Committee on Atomic Energy.

The Senator from Nebraska [Mr. BUTLER] is absent on official business, being a member of the commission appointed to attend the Philippine independence ceremonies.

The Senator from Minnesota [Mr. SHIPSTEAD] is absent by leave of the Senate.

The Senator from Indiana [Mr. WILLIS] is necessarily absent.

The result was announced—yeas 25, nays 54, as follows:

YEAS—25

Alken	Gerry	Radcliffe
Ball	Green	Revercomb
Brewster	Hart	Smith
Bridges	Hawkes	Tobey
Brooks	Lucas	Wagner
Buck	McMahon	Walsh
Byrd	Mead	Wherry
Capehart	Overton	
Ferguson	Pepper	

NAYS—54

Austlin	Hoey	Myers
Barkley	Huffman	O'Daniel
Briggs	Johnson, Colo.	O'Mahoney
Burch	Johnston, S. C.	Reed
Bushfield	Kilgore	Robertson
Capper	Knowland	Russell
Carville	La Follette	Stanfill
Chavez	Langer	Stewart
Donnell	McCarran	Swift
Downey	McClellan	Taft
Eastland	McKellar	Taylor
Fulbright	Magnuson	Thomas, Okla.
George	Millikin	Thomas, Utah
Gossett	Mitchell	Tunnell
Guffey	Moore	White
Gurney	Morse	Wiley
Hayden	Murdock	Wilson
Hill	Murray	Young

NOT VOTING—17

Andrews	Ellender	Shipstead
Bailey	Hatch	Tydings
Bilbo	Hickenlooper	Vandenberg
Butler	McFarland	Wheeler
Connally	Maybank	Willis
Cordon	Saltonstall	

So Mr. GREEN's motion was rejected.

Mr. McKELLAR. Mr. President, I move that the Senate further insist on its amendment numbered 7, ask for a further conference with the House thereon, and that the chair appoint the same conferees who were appointed before.

Mr. GREEN. Mr. President, I should like to know what is meant by appointing the same conferees who were appointed before. At the first conference I was one of the conferees on the part of the Senate. I have read in the RECORD, however, that at the second conference I was not included. We are now to have a third conference and the Senator from Tennessee requests that the same conferees be appointed.

Mr. McKELLAR. Mr. President, I am sure that the conferees on the part of the Senate should include the Senator from Rhode Island, because he was supposed to be among the Senate conferees at the previous conferences which were held on this matter.

Mr. GREEN. Unfortunately, the RECORD does not show that I was among

the Senate conferees at the second conference.

Mr. McKELLAR. I am very sorry. Of course, the Senator from Rhode Island should be one of the Senate conferees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Tennessee.

The motion was agreed to; and the Presiding Officer appointed Mr. McCARRAN, Mr. McKELLAR, Mr. HAYDEN, Mr. GREEN, Mr. BAILEY, Mr. WHITE, Mr. GURNEY, and Mr. REED conferees on the part of the Senate at the further conference.

EXTENSION OF PRICE CONTROL

The Senate resumed consideration of the joint resolution (H. J. Res. 371) extending the effective period of the emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

Mr. BRIDGES. Mr. President, I send an amendment to the desk which I ask to have stated.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from New Hampshire.

The CHIEF CLERK. On page 9, between lines 14 and 15, it is proposed to insert a new paragraph, as follows:

No maximum price and no regulation or order under this act or the Stabilization Act of 1942, as amended, shall be applicable with respect to grains for which standards have been established under the United States Grain Standards Act, as amended, or any livestock or poultry feed processed or manufactured in whole or in substantial part therefrom.

Mr. BRIDGES. Mr. President, I wish to ask for immediate consideration of the amendment. My explanation of it will be very brief.

Day before yesterday an amendment offered by the Senator from Kansas [Mr. REED] was rejected by a small majority. There were certain fears expressed that the amendment was too wide in scope, and that it would have a very general effect upon a widespread variety of commodities. My amendment is more limited.

Mr. President, the amendment is very simple. It takes controls off grains, and, as the Senate can see by reading it, the amendment imposes definite limitations. So far as poultry and livestock feeds are concerned, instead of applying to all processed or manufactured commodities with grain as a basis.

In other words, it would not affect grain manufactured, we will say, into "Post Toasties," or corn sirup, or flour for bread, or any commodities of that kind. It is aimed primarily to meet the desperate situation in sections of the country which are deficit grain areas. By deficit grain areas I mean sections like New England, and States like New York, Pennsylvania, New Jersey, Delaware, in the East, and States like Oregon, Washington, California, and other States in the Pacific coast area, which must have grain from the great Middle West section in order to feed livestock and poultry.

The situation has been very desperate up to date in these areas, and has brought about wholesale liquidation of poultry flocks and liquidation of dairy

herds, and the condition will grow acutely worse.

The amendment is direct, it is aimed to relieve in the future a very desperate situation, and I ask for favorable action on it.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. OVERTON. As I understood the Senator's amendment, it includes livestock, poultry, and eggs?

Mr. BRIDGES. I will read the amendment to the Senator. It provides:

No maximum price and no regulation or order under this act or the Stabilization Act of 1942, as amended, shall be applicable with respect to grains for which standards have been established under the United States Grain Standards Act, as amended, or any livestock or poultry feed processed or manufactured in whole or in substantial part therefrom.

Mr. OVERTON. I thank the Senator.

Mr. TOBEY. Mr. President, I rise to endorse and second the statement made by my distinguished colleague, the senior Senator from New Hampshire [Mr. BRIDGES]. This matter has been on our hearts and in our minds for a long time. It comes from a desperate need in New England and the Northwest.

When the OPA control on grain was lifted, as it automatically was on the 1st of July, grain began to come to New England, and the men, women, and children of that section felt encouragement instead of discouragement. Grain came, and the flocks were being fed, and there was new hope in the hearts of those people.

As evidence of that, I wish to read two telegrams. One is from George M. Putnam, head of the Farm Bureau Federation of New Hampshire and long-time director of the American Farm Bureau Federation, known in this country as the grand old man of agriculture. There is no finer American citizen. He knows agriculture through and through, and his whole life has been devoted to the farmers and rural population of America. His telegram, dated yesterday, reads as follows:

CONCORD, N. H., July 11, 1946.

Senator CHARLES TOBEY,
Senate Office Building:

We appreciate action taken by Senate on dairy, poultry products, and meat. We regret failure to include feed grains. Letting ceilings back on grain is about the worst thing that could happen to our poultry and dairy industries in New Hampshire. Since OPA went out our grain men have been able to buy. If ceilings come back we will be in same situation as before, which you know was approaching a calamity. Is there any way left in which feed grains can be removed from ceiling control.

GEORGE M. PUTNAM,
President, New Hampshire Farm
Bureau Federation.

The second, like unto the one I have just read, is from Andrew L. Felker, Commissioner of Agriculture of New Hampshire, a man of the utmost probity and character. He telegraphs me as follows:

CONCORD, N. H., July 11, 1946.

Senator CHARLES W. TOBEY,
Senate Office Building,
Washington, D. C.:

Senate vote on grain amendment pending OPA bill will cause all favorable gains se-

oured last 10 days to turn to losses. Will reinstate black-market practices. Increased grain supplies purchased and now moving in has helped livestock feeding greatly and saving the remnants of our poultry industry. With livestock prices in the West ranging higher than ever, control on grain will prevent any but meager supplies reaching this area. We are shocked at the result of the vote, and believe inestimable loss will accrue to livestock and poultry interests in New Hampshire. No complaints received from poultrymen or dairymen as regards increased prices on grains since OPA law ended. If nothing else can be done to correct this bad situation, feel that Reed amendment offered freeing all grain so far purchased and under contract for delivery up to August 1 will be helpful to New England.

ANDREW L. FELKER,
Commissioner.

Mr. President, I can state on my own reputation that what Andrew Felker and what George Putnam say about the dire situation represents the views of every commissioner of agriculture and every member of the Farm Bureau in New England. This is a desperate situation. Relief has come. Do not close the doors now. I appeal, with my colleague, that the ceiling be taken off grains for feeding purposes. Make it possible for the people of these areas to get some grain, and save the rural life of New England and the other areas from great suffering and loss and tragedy.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. TOBEY. I yield.

Mr. SMITH. The Senator agrees with me, I think, in the statement that if we do not remove these controls the grain will go to beef cattle and hogs.

Mr. TOBEY. There can be no question about that.

Mr. SMITH. And our dairy herds and poultry flocks will have to be liquidated.

Mr. TOBEY. Nor can there be any question about that.

Mr. SMITH. I get the same desperate messages from New Jersey the Senator is getting from his State.

Mr. BARKLEY. Mr. President, we voted day before yesterday on the amendment offered by the Senator from Kansas [Mr. REED], which is in all respects the same amendment as the amendment now pending, with the exception that the Reed amendment forbade any ceiling price to be put upon products processed or manufactured in whole or substantial part from grain. The pending amendment provides that no ceiling shall be put upon grains or any livestock or poultry feed processed from grain.

The amendment as now offered was contained in the amendment upon which the Senate voted Wednesday. Every item in the amendment now pending, which is limited to livestock and poultry feed processed from grain, was included in the amendment offered by the Senator from Kansas [Mr. REED]. The only difference is that in the Reed amendment all feed and food, including flour, processed from grain, was barred from price ceilings, but that does not mean that everything contained in the pending amendment was not also in the other amendment, upon which the Senate voted. Therefore, I suggest that, it hav-

ing been voted upon heretofore, and rejected, it is not now in order.

Mr. BRIDGES. Mr. President, the amendment is wholly different from the amendment offered by the Senator from Kansas. The amendment offered by him and voted on, reads:

No maximum price and no regulation or order under this act or the Stabilization Act of 1942, as amended, shall be applicable with respect to grains for which standards have been established under the United States Grain Standards Act, as amended, and products processed or manufactured in whole or substantial part therefrom.

The amendment which is now under consideration, reads as follows:

No maximum price and no regulation or order under this act or the Stabilization Act of 1942, as amended, shall be applicable with respect to grains for which standards have been established under the United States Grain Standards Act, as amended, or any livestock or poultry feed processed or manufactured in whole or in substantial part therefrom.

It is a wholly different amendment.

Mr. BARKLEY. Will the Senator yield?

Mr. BRIDGES. Certainly.

Mr. BARKLEY. Does the Senator deny that the feeds he cover in his amendment were included in the Reed amendment? Were they not all in it, and is not the language identical down to the words "Standards Act as amended or"? Down to all except the last line and two or three words on the next to the last line it is identical with the language on which the Senate voted day before yesterday.

Mr. AIKEN. Mr. President, if I may answer the question, under the Reed amendment there is included even the most famous product of the State of the Senator from Kentucky, because that is manufactured from grain. I think everyone knows that more grain is used in industries, such as the steel industry, the aluminum industry, the liquor industry, the beer industry, and a thousand other industries, all industries together, than is used for cattle and poultry feed.

Mr. BARKLEY. According to the interpretation made by the Senator from Ohio and the Senator from Kansas a few days ago, nothing beyond the grain itself, or the first processed product, such as flour, would have been considered. So it would not include what the Senator describes as "Kentucky's most famous product." And there is some dispute even among Kentuckians as to what is Kentucky's most famous product.

Mr. TOBEY. Will the Senator say what is Kentucky's most famous product?

Mr. BARKLEY. We have the finest and most beautiful women and the finest and most beautiful horses.

Mr. AIKEN. But we in the Senate know what is the most famous product of Kentucky.

Mr. BARKLEY. I said we have the finest and most beautiful women and the finest and most beautiful horses.

Mr. AIKEN. And, of course, Kentucky's most famous product is the majority leader himself.

Mr. BARKLEY. No; I am not a product of grain, I will say, and I have not been processed out of it.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. TOBEY. May I address myself to the distinguished majority leader very briefly? He has a duty to perform in all these matters. I recognize that. I also recognize that even with the high sense of duty which is incarnate in the man who leads the majority, ALBEN W. BARKLEY, he also possesses a great sense of fairness, a great sympathy for human needs, and a desire to help out his fellowmen. While he is now raising a technical point, I rise and ask if out of the goodness of that great heart of his he will not let this amendment go to a vote so that we may, if possible, decontrol the grain which is so necessary for livestock feed, which would relieve a distress which exists all over the country.

Do not press that technical point too hard. Have a heart, ALBEN.

Mr. BARKLEY. I appreciate the second edition of the Macedonian cry coming from the Senator from New Hampshire.

Mr. TOBEY. I may say that I think it will be answered in finer language and in finer spirit than was the previous one.

Mr. BARKLEY. The record will show in regard to that.

Mr. President, I feel that the Senate has expressed itself. It is up to the Chair to rule on the point of order. If we are ever to put this bill behind us and get anywhere with it, we must make progress, and we cannot afford to spend our time voting upon practically the same thing over and over again. If the Chair rules that my point of order is not well taken, I will accept the Chair's ruling. But I think the Reed amendment we voted on the other day included every item of the amendment now pending, except that there was an element of human food involved in the other amendment which is not involved in the pending amendment. I do not think we can overlook the human element in regard to grain and its products.

Mr. HAWKES. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from New Jersey.

Mr. HAWKES. I wish to say to the Senator from Kentucky that I think there is a very great difference between this amendment and the one offered by the Senator from Kansas [Mr. REED]. We had a long discussion here on Wednesday and to same extent yesterday about taking control off wheat. It was said that wheat was used for flour, and if wheat went up to a certain point, the result would be an increase in the cost of flour, and that the price of bread would be doubled. The discussion finally ended with a statement from the Senator from Vermont that if the price of wheat should double, as I recall, the increased cost of a loaf of bread resulting from that increase would be a cent and a half, approximately. Is that correct?

Mr. AIKEN. That is correct.

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued July 15, 1946
For actions of July 13, 1946
79th-2nd, No. 137

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HIGHLIGHTS: Senate rejected resolution to disapprove President's reorganization plan 3. Senate committee reported bill to provide for payment of 30-cent bonus on wheat sold between Jan. 1, 1945, and Apr. 18, 1946. House Rules committee cleared price-control measure for appointment of conferees. House passed British-loan bill. Rep. Flannagan introduced forestry fiscal-omnibus bill. Rep. Rogers inserted USDA report on food-feed shortages in Mass. Rep. Rand criticized USDA offer of 30-cent bonus on corn.

SENATE

- 1. REORGANIZATION.** Rejected, 30-37, S. Con. Res. 66, disapproving of Reorganization Plan No. 3 (pp. 9012-33). Began debate on S. Con. Res. 65, disapproving of Reorganization Plan No. 2 (pp. 9033-4).
 - 2. WHEAT BONUS.** The Agriculture and Forestry Committee reported without amendment S. 2118, to provide for payment of a 30-cent bonus on wheat produced and sold between Jan. 1, 1945, and April 18, 1946 (S. Rept. 1713)(p. 9011).
 - 3. THIRD DEFICIENCY APPROPRIATION BILL.** In reporting this bill, H. R. 6885 (see Digest 136), the committee added \$85,000 for the Swan Island animal-quarantine station, \$10,000 to carry out the recent law for condemnation of unfit materials used in process or renovated butter, and \$50,000 for the Joint Committee on the Economic Report; changed the UNRRA provision so as to prohibit aid to any country until it has provided for prompt distribution; and inserted provisions increasing the amount to be paid for passenger vehicles by the Government from \$1,050 to \$1,300, repealing the 1947 appropriation-act limits which prohibit purchase of passenger vehicles not used or surplus, prohibiting use of OPA appropriations for anyone preparing or disseminating general propaganda in support of price control, and permitting foreign-trade statistics to be compiled in D.C. despite a provision in the Commerce appropriation act for 1947. For other items of interest to this Department see Digests 124-6.
 - 4. BANKING AND CURRENCY.** Passed with amendments H. R. 4590, to authorize the use by industry of Government silver (pp. 9034-7).
 - 5. RECESSED** until Mon., July 15, (p. 9037).
- NOTE:** It is understood that the Agriculture and Forestry Committee ordered reported S. 2033, to provide support for wool and authorize the Secretary to set wool standards and carry out research on wool.

- 2-
6. PURCHASING; FOREIGN RELATIONS. Senate Doc. 239 (see Digest 135) proposes an amendment to the language pertaining to the general supply fund, Procurement Division, Treasury Department, so as to enable that Division to perform a service operation for international organizations by purchasing materials, supplies, and equipment for them on a reimbursable basis.

HOUSE

7. BRITISH LOAN. Passed, 219-155, without amendment S. J. Res 136, to authorize a loan to Great Britain (pp. 9039-81). This measure will now be sent to the President.
8. PRICE CONTROL. The Rules Committee reported a resolution to disagree to the Senate amendments to H. J. Res. 371, to extend and amend the Price Control and Stabilization Acts, and direct the Speaker to appoint conferees (pp. 9081, 9083).
9. TREASURY-POST OFFICE APPROPRIATION BILL. Conferees were appointed for a further conference on this bill, H. R. 5452 (p. 9038).
10. ATOMIC ENERGY. The Rules Committee reported a resolution for the consideration of S. 1717, for the development and control of atomic energy (pp. 9081-2, 9083).
11. PERSONNEL. The Civil Service Committee reported with amendments H. R. 5590, to provide for the uniform administration of efficiency ratings (H. Rept. 2512) (p. 9083).
12. HEALTH. The Interstate and Foreign Commerce Committee reported with amendment S. 191, to amend the Public Health Service Act to authorize grants to the States for surveying their hospitals and public-health centers and for planning construction of additional facilities and to authorize grants to assist in such construction (H. Rept. 2519) (p. 9083).
13. LEGISLATIVE PROGRAM. Majority Leader McCormack announced the program for this week as follows: Mon., H. R. 4716, to provide optional retirement for Government employees who have rendered at least 25 years of service; Tues., Consent Calendar, Private Calendar, and rules to send the price-control extension measure to conference and to consider the atomic energy bill; Wed., Calendar Wednesday; and there is a possibility that S. 2177, the LaFollette bill to reorganize Congress, may be taken up later in the week. (pp. 9066-9, 9082).
14. ADJOURNED until Mon., July 15 (p. 9083).

BILLS INTRODUCED

15. FORESTRY. H.R. 7031, by Rep. Flannagan, Va., to facilitate and simplify the work of the Forest Service. To Agriculture Committee. (p. 9083.)
16. IRRIGATION. H.R. 7032, by Rep. Miller, Nebr., authorizing the reduction of certain accrued interest charges, Farmers' Irrigation District, North Platte project. To Irrigation and Reclamation Committee. (p. 9083.)

ITEMS IN APPENDIX

- 16a. FOOD AND FEED SHORTAGES. Rep. Rogers, Mass., inserted Acting Secretary Dodd's letter concerning the food and feed shortages in Mass., and explaining allocations of feed for Mass. (pp. A4302-3).

deducted shall be 30 percent instead of 45 percent as provided in section 4 (b) of said act."

Mr. HAYDEN. Mr. President, I move the adoption of the amendments en bloc.

The PRESIDING OFFICER. The question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

The PRESIDING OFFICER. The question now is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 4590) was read the third time and passed.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. KNOWLAND in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Howard H. MacGowan, of Seattle, Wash., to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash., in place of Saul Hass, which was referred to the Committee on Finance.

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers for appointment in the United States Navy.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will state the nominations on the calendar.

GOVERNOR OF HAWAII

The legislative clerk read the nomination of Ingram M. Stainback, of Hawaii, to be Governor of the Territory of Hawaii.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Ms. BARKLEY. I ask that the nominations of the postmasters be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters are confirmed en bloc.

The PRESIDING OFFICER. That completes the calendar.

Mr. BARKLEY. I ask that the President be notified of all nominations this day confirmed.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

RECESS

Mr. BARKLEY. As in legislative session, I move that the Senate take a recess until Monday next at 11 o'clock a. m.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until Monday, July 15, 1946, at 11 o'clock a. m.

NOMINATION

Executive nomination received by the Senate July 13 (legislative day of July 5), 1946:

COLLECTOR OF CUSTOMS

Howard H. MacGowan, of Seattle, Wash., to be collector of customs for customs collection district No. 30, with headquarters at Seattle, Wash., in place of Saul Haas.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 13 (legislative day of July 5), 1946:

TERRITORY OF HAWAII

Ingram M. Stainback, to be Governor of the Territory of Hawaii.

POSTMASTERS

ALABAMA

Eula E. Hamilton, Woodstock.

ARIZONA

James Cohen Garrett, Eloy.

ARKANSAS

James F. Wright, Trumann.

CALIFORNIA

Sylvia S. Richardson, Highway Highlands.
Roscoe J. King, Indio.
Arthur Patterson, Lincoln Acres.

COLORADO

J. Max Rush, Otis.

FLORIDA

Lessie L. McMullen, Lee.

GEORGIA

John W. Ray, Dalton.

ILLINOIS

Eleanore A. Morley, Good Hope.

IOWA

Lucille V. Gittinger, Eldon.

MARYLAND

Frank Scott Bradley, Federalsburg.

MICHIGAN

Burton E. Jones, Holly.
Herbert R. Abrams, Wixom.

MISSOURI

Raymond H. Schell, Augusta.
Grace N. Davis, Desloge.

NEW MEXICO

Herbert Dale Dodds, Tularosa.

NEW YORK

Marian Chadderdon, Acra.
Wynford B. Balley, Lexington.
Sarah A. Wilcox, Wellsburg.

NORTH CAROLINA

Lucy M. Shore, Cycle.

OHIO

Lester Bishop, Johnstown.
John Merle Gibson, Savannah.
Joseph D. Ryan, Willoughby.

PENNSYLVANIA

Charles E. Ongley, Grand Valley.
Clara M. Baker, Penllyn.
Thomas Mark Shockey, Rouzerville.

TENNESSEE

Levie B. Thomas, Pleasant Shade.

TEXAS

J. Dea Allen, Blum.
Meta Cargile, Converse.
Leland C. Adams, Holliday.
Marjorie L. Burton, Katy.
Margaret M. Harden, Larue.
Betty F. Irby, Texon.
Oneta M. Fersch, Wink.

VIRGINIA

Katherine B. Munt, Prince George.

WEST VIRGINIA

Juanita Collins, North Matewan.

WISCONSIN

Franklin J. Fritsche, Dorchester.

House of Representatives

SATURDAY, JULY 13, 1946

The House met at 10 o'clock a. m.

Rev. Bernard Braskamp, D. D., pastor of the Gunton-Temple Memorial Presbyterian Church, Washington, D. C., offered the following prayer :

O Thou God and Father of all mankind, whose unfailing love our sinful hearts cannot fathom and whose unerring wisdom our finite minds cannot comprehend, we rejoice that Thou hast made us the beneficiaries of Thy bountiful providence and that our ceaseless needs do not exhaust Thy patience and Thy power.

We are again approaching Thy throne through the old and familiar way of prayer which is never closed to the humble spirit and the contrite heart. We are coming, compelled not only by many necessities which Thou alone canst supply and nameless longings which Thou alone canst satisfy, but encouraged by every gracious invitation and promise in Thy Holy Word.

We know not what a day may bring forth or what the future has in store for us, but, as God-fearing men and women, we are humbly and confidently committing ourselves to Thy fatherly care, assured that where Thou dost guide Thou wilt also provide.

In Christ's name we offer our petitions. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Gatling, its enrolling clerk, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H. J. Res. 371. Joint resolution extending the effective period of the Emergency Price Control Act of 1942, as amended, and the Stabilization Act of 1942, as amended.

The message also announced that the Senate insists upon its amendment to the foregoing joint resolution, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. WAGNER, Mr. BARKLEY, Mr. RADCLIFFE, Mr. DOWNEY, Mr. TOBEY, Mr. TAFT, and Mr. MILLIKIN to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6837) entitled "An act making appropriations for the Military Establishment for the fiscal year ending June 30, 1947, and for other purposes."

The message also announced that the Senate agrees to the amendments of the

House to the amendments of the Senate numbered 27 and 28 to the foregoing bill.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1947

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, further insist on disagreement to the amendment of the Senate numbered 7, and agree to the conference requested by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. O'NEAL, D'ALESSANDRO, KOPPLEMANN, CANNON of Missouri, TABER, KEEFE, and CANFIELD.

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a copy of the audit of the War Shipping Administration for the year 1944 recently prepared by the Comptroller General of the United States. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$435, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CELLER asked and was given permission to extend his remarks in the RECORD in three instances.

Mr. SPENCE asked and was given permission to extend his remarks in the RECORD and include a statement by Clair Wilcox, Director of the Office of International Trade Policy, Department of State.

Mr. LANE and Mr. HAND asked and were given permission to extend their remarks in the RECORD.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks in the RECORD and include an article appearing in Fortune on the United States Foreign Service.

Mr. MERROW asked and was given permission to extend his remarks in the RECORD and include a telegram and a newspaper article on OPA.

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article entitled "Write to the President," by Mr. E. F. Hutton, who paid for this advertisement in the New York Herald Tribune.

It was later published in the Williamsport Sun.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. TALBOT asked and was given permission to extend his remarks in the RECORD and include a statement by William Green, president of the American Federation of Labor.

Mrs. LUCE asked and was given permission to extend her remarks in the RECORD in two instances.

Mr. WASIELEWSKI asked and was given permission to extend his remarks in the RECORD in four instances and include a newspaper article with each.

Mr. COCHRAN (at the request of Mr. McCormack) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. McCORMACK asked and was given permission to revise and extend the remarks he made in Committee of the Whole this afternoon and include a letter he received from William Green, president of the American Federation of Labor, and also a letter from Assistant Secretary of State Clayton.

Mr. DOYLE asked and was given permission to extend his remarks in the RECORD and include a certified copy of a resolution by the council of the city of Long Beach, Calif.

Mr. HUBER asked and was given permission to extend his remarks in the RECORD and include a newspaper item.

Mr. SHORT asked and was given permission to extend his remarks in the RECORD and include an article by Frank Waldrop which appeared in the Washington Times-Herald.

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a very fine report by Maj. Gen. Robert S. Beightler on the activities of the Thirty-seventh Infantry Division of Ohio between 1940 and 1945. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$240, but I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to appears in the Appendix.]

SPECIAL ORDER GRANTED

Mr. MERROW. Mr. Speaker, I ask unanimous consent that on next Tuesday, July 16, at the conclusion of the legislative program of the day and following any special orders heretofore

6. TREASURY-POST OFFICE APPROPRIATION BILL. Both Houses agreed to a further conference report on this bill, H. R. 5452 (pp. 9571-2, 9621). This bill will now be sent to the President.
7. WOMEN'S RIGHTS. Rejected S. J. Res. 61, proposing an amendment to the Constitution providing for equal rights for men and women (vote was 38 for, 35 against, but 2/3 was required) (pp. 9527-35).
8. MINERALS. Senate conferees were appointed on S. 1236, to amend the Mineral Leasing Act in order to promote development of oil and gas on the public domain (p. 9549).
9. BANKING AND CURRENCY. Both Houses agreed to the conference report on H. R. 4590, to authorize the use by industry of Government silver (pp. 9550, 9604-5). This bill will now be sent to the President.
10. HAWAII. The Territories and Insular Affairs Committee reported without amendment H. R. 3361, to provide that U. S. use of lands in Hawaii for war purposes which may prevent the performance of any condition of sale, shall not cause forfeiture of the lands (S. Rept. 1762) (p. 9536).

HOUSE - July 19

11. LABOR-FEDERAL SECURITY APPROPRIATION BILL. Agreed to a further conference report on this bill, H. R. 6739, which modifies the NLRB item so as to prevent it from organizing or assisting in organizing of agricultural laborers as that term is defined in the Fair Labor Standards Act (pp. 9621-2).
12. UNESCO. Chairman Bloom of the Foreign Affairs Committee requested House concurrence in the Senate amendments to H. J. Res. 305, to provide for U. S. participation in the United Nations Educational, Scientific, and Cultural Organization, but withdrew the request temporarily after discussion (p. 9622).
13. CONGRESSIONAL REORGANIZATION. Rep. Monroney, Okla., inserted and discussed the House report on the congressional-reorganization bill, S. 2177 (pp. 9623-35).
14. SUBSIDIES; TAXATION. Rep. Rogers, Mass., recommended reduction of taxes in the amount of discontinued subsidies, saying "the people should not pay twice" (p. 9636).
15. PRICE CONTROL. Rep. Bryson, S. C., spoke in favor of price-control continuation and expressed the hope that a satisfactory compromise will be worked out (pp. 9636-7).
16. CONTRACTS. The Judiciary Committee reported with amendments S. 1477, to authorize relief in certain cases where work, supplies, or services have been furnished for Government under contracts during the war (H. Rept. 2576) (p. 9638).
17. EDUCATION; LANDS. The Public Lands Committee reported with amendment H. R. 7038, to provide for sale of certain public lands in the States for the use and benefit of the State public educational institutions (H. Rept. 2580) (p. 9638).

18. PERSONNEL. Concurred in Senate amendment to H.R. 6432, to permit department and agency heads to designate disbursing officers to make payments of claims directly to Government employees and former employees for the difference between amounts of overtime, leave, and holiday compensation computed at day rates and overtime, leave, and holiday compensation computed at night rates pursuant to Comptroller General decisions (p. 9576). This bill will now be sent to the President.
19. WATER POLLUTION. Rep. Pittenger, Minn., urged immediate action on legislation to control and prevent water pollution (pp. 9576-7).
20. RESEARCH; ATOMIC ENERGY. Continued debate on S. 1717, for the control and development of atomic energy (pp. 9591-621).
21. CREDIT UNIONS. Concurred in Senate amendment to H.R. 6372, to amend the Federal Credit Union Act so as to permit recovery within two years of charges for greater amounts of interest than are allowed under the Act; to provide for issuance of shares in joint tenancy; to authorize payments from union funds of premiums for bonds required; and to limit individual loans to \$200 or 10% of the paid-in and unimpaired capital and surplus of the credit union, or not in excess of \$300 unless the amount over \$300 is adequately secured (p. 9605). This bill will now be sent to the President.

HOUSE -- July 20

22. FOREIGN RELATIONS. Passed as reported H.R. 6967, the proposed Foreign Service Act of 1946, to improve, strengthen, and expand the Foreign Service and to consolidate and revise the laws relating to its administration; includes provisions for cooperation with other departments (pp. 9699-717). For provisions of bill see Digest 134).
Conferees were appointed on H.J. Res. 305, to provide for U.S. participation in the United Nations Educational, Scientific, and Cultural Organization (p. 9724).
Passed as reported H.R. 6646, to establish the Office of Under Secretary of State for Economic Affairs (pp. 9721-3).
23. INFORMATION; FOREIGN RELATIONS. Passed with amendments H.R. 4982, to enable the State Department more effectively to carry out its responsibilities in the foreign field by means of (a) public dissemination abroad of information about the U.S., and (b) promotion of the interchange of persons, knowledge, and skills between the U.S. and the peoples of other countries (pp. 9717-21).
24. BUILDINGS AND GROUNDS. Rep. Lanham, Tex., made and withdrew a request to suspend the rules and pass H.R. 6917, to provide site acquisition and design of Federal buildings and to give FWA additional powers over the construction and operation of public buildings (p. 9726). Rep. Lanham had previously asked unanimous consent for the consideration of the bill, but Rep. Buck, N.Y., objected (pp. 9724-6).
25. REORGANIZATION. Rep. Manasco asked unanimous consent for the consideration of H.J. Res. 382, providing for the taking effect of Reorganization Plan No. 1, except for the provision regarding the National Housing Agency; but withdrew his request when Rep. Taber, N.Y., stated that he would have to object (p. 9726).
The Rules Committee reported a resolution for the consideration of S. 2177, the LaFollette congressional-reorganization bill (p. 9733).

PENDING SUPREME COURT CASE

The legislation to quiet State titles was introduced in Congress in March 1945. Late in May 1945, just 2 weeks before the time set for the House Judiciary Committee hearing, Mr. Biddle, at the urgent request of Mr. Ickes, filed a suit against Pacific Western Oil Co., a lessee of the State of California. It was obviously filed as a deliberate attempt to block the legislation. The House committee proceeded, however, and the bill was unanimously reported out of the committee and on September 20 passed the House by an overwhelming vote.

In October, just before the time set for the Senate committee hearings, again at the urgent request of Mr. Ickes, the Pacific Western suit was dismissed and another suit filed directly in the United States Supreme Court. Obviously this, too, was filed for the purpose of blocking the legislation.

The idea seems to have existed that the Supreme Court could decide this issue and settle the whole question in a few months' time, but this is contrary to all past experience. Litigation of this type invariably takes years to bring to a final conclusion. The essence of the matter is that this is not the type of question which can be easily or permanently settled by litigation. If the decision in the pending case is in favor of California, it will not stop future agitation of the question. In view of the propensity of public officials to change their viewpoint on such questions, there will always be the possibility of agitation over titles until Congress finally acts.

If the decision in the pending case were in favor of the Government, it would be only the first step in litigation which would necessarily continue for years and which would throw the titles of submerged lands in all other States into a condition of chaos and uncertainty. The task of fixing a new boundary around the entire United States dividing State from Federal title would take generations to complete.

Both the Senate and the House Judiciary Committees considered carefully the question whether Congress should defer all action during the pendency of this litigation. Both committees were of the opinion that Congress should act. The viewpoint of the House Judiciary Committee expresses the matter succinctly in the following words:

In view of the settled rule of property previously mentioned, it is the opinion of the committee that there is no justification for subjecting the States and their successors who have long had the ownership and possession of their tide and submerged lands to the expense and vexation of litigation.

The highest court in the land has already passed upon these questions numerous times. There is no certainty that another decision would be accepted as final by those who continue to agitate this question. Furthermore, the litigation recently filed would undoubtedly not settle the question but would be only the beginning of litigation which might last for many years. In the meantime, needed developments both in ports and harbors and elsewhere in the coastal and submerged lands would be definitely retarded.

No legal or political theory requires that Congress must cease to pass laws on matters pending in the courts. The fact is that Congress is continually passing laws which change or impair or com-

pletely destroy the jurisdiction of the court over pending cases. This has never been considered a breach of comity or a trespass on the court's function. The fact is that both Mr. Biddle and Mr. Ickes are on record as late as June 1945, that this matter is one of congressional policy. On June 6, Mr. Biddle wrote to the Senator from Nevada [Mr. McCARRAN], chairman of the Senate Judiciary Committee, a letter in which he said:

The question whether the resolution should be adopted is one of legislative policy to be considered by Congress.

On the 20th day of June 1945, Mr. Ickes himself wrote a letter to Hon. HATTON SUMNERS, chairman of the House Judiciary Committee, in which he said:

It has seemed to be a matter not appropriate for executive decision, but, on the other hand, one for which the Federal courts have been created. Whether Congress elects to adopt the same view is, of course, a matter of legislative policy.

This controversy was initiated by the unauthorized acts of the Secretary of the Interior in attempting to reverse not only his own decisions, but the long-settled decisions and policies of every other department of the Federal Government. It was an unprecedented attempt to centralize enormous power and billions of dollars' worth of property rights in the Interior Department, at the expense of the States and their many grantees and lessees. This unprecedented attempt is well described in the words of the attorney general of the great inland State of Indiana, Hon. James A. Emmert, who said:

This is as rank an attempt to steal from the States their lawful property as can ever be found in the history of the sovereigns which expropriate property without compensation.

Such an attempt presents a fundamental question of national policy which Congress should not ignore. To do so would be to inaugurate a period of strife and confusion between States and Federal Government which would last for many years to come.

CONTINENTAL SHELF

House Joint Resolution 225, particularly with the addition of the excellent amendment of the Senator from Wyoming [Mr. O'MAHONEY] fully preserves the rights of the United States to all lands and minerals outside lawfully existing State boundaries. But no attempt is made to define or describe the present location of every State boundary. It would obviously have been impossible to do that. The resolution simply deals with State boundaries as they now lawfully exist.

It is well known that there are a few States which claim more than the conventional 3 miles. The measure does not deal with those claims. It neither recognizes nor denies them. If the claims of such States are invalid and cannot be established, the quitclaim will run only to the 3-mile limit. Nothing in the present joint resolution would confirm or recognize the illegal claim of any State.

Beyond the States' legally determined boundaries and out to the limit of the Continental Shelf, as defined in the President's proclamation, the rights of

the Federal Government are specifically reserved by the terms of the joint resolution.

Mr. President, I urgently recommend to the Senate that we avoid delay and uncertainty and litigation by the prompt passage of the pending joint resolution.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6739) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1947, and for other purposes.

APPROPRIATIONS FOR THE TREASURY AND POST OFFICE DEPARTMENTS—CONFERENCE REPORT

Mr. McKELLAR submitted the following report:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 7 to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

KENNETH McKELLAR,
PAT McCARRAN,
CARL HAYDEN,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE,
CHAN GURNEY,
CLYDE M. REED,

Managers on the Part of the Senate.

EMMET O'NEAL,
HERMAN P. KOPPLEMANN,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
JOHN TABER,
GORDON CANFIELD,

Managers on the Part of the House.

Mr. McKELLAR. Mr. President, I ask unanimous consent for the present consideration of the conference report.

There being no objection, the Senate proceeded to consider the report.

Mr. WHITE. Mr. President, will the Senator from Tennessee make a very brief explanation of the situation?

Mr. McKELLAR. The only matter in controversy was the silver amendment. As the Senator knows, a separate legislative bill dealing with silver was passed by the Senate and has been passed by the House, and was finally agreed upon today, and has been sent to the President, as I understand. With that, we

had an agreement that all mention of silver in the appropriation bill would be stricken out. It has been stricken out.

Mr. WHITE. The report, as made, carries out that agreement of the other evening; does it?

Mr. McKELLAR. Yes; it carries out the agreement of the other evening.

Mr. President, I ask for the adoption of the conference report.

The report was agreed to.

THE WORLD COURT

Mr. SMITH. Mr. President, will the Senator yield to me?

Mr. McCARRAN. I yield.

Mr. SMITH. I wish to make a very brief observation and to present two editorials for insertion in the RECORD.

On Wednesday last the distinguished Senator from Oregon [Mr. MORSE] made what to me was a very challenging and thrilling statement with regard to the Senate of the United States taking action to accept the optional clause of the Statute of the International Court of Justice. That was a very timely statement, made just after we had had the eloquent report of the senior Senator from Michigan [Mr. VANDENBERG] on the Paris Conference. Today we have heard from our distinguished colleague the senior Senator from Texas [Mr. CONNALLY], on the subject of the Paris Conference. We have also had the report of Secretary of State Byrnes on the international situation, based on the same Paris Conference.

I wish to identify myself with the statement made and the position taken by the Senator from Oregon in support of Senate Resolution 196, which was submitted by him to the Senate on November 28, 1945, for himself and a group of Senators, including myself, with regard to our accepting the optional clause conferring jurisdiction on the International Court of Justice, and to commend the Senator from Oregon for the very timely and very clear-cut position he took at that time in pointing out that we do not need, as many people have claimed, to wait until Russia acts in this matter. Our acting in this matter now is the logical position for us to take, and it will be an indication to Russia and to the other nations of the world of our intention still to maintain a positive and aggressive position of leadership in connection with all progressive steps looking toward the future peace of the world.

Mr. President, in connection with my remarks on this subject, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks an editorial entitled "Toward a Rule of Law," published in this morning's edition of the New York Herald Tribune, and also an editorial entitled "World Court Issue," published in today's edition of the Washington Post.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Herald Tribune of July 19, 1946]

TOWARD A RULE OF LAW

This week a Senate subcommittee has been holding hearings on a measure which has awakened relatively little public interest. Yet it has been described by Mr. Dean Acheson, Under Secretary of State, as "a

long and even a decisive step in the direction of crossing the line which separates world disorder from world order based on law." The measure in question would recognize, on behalf of the United States, the compulsory jurisdiction of the International Court of Justice.

The United States has already accepted the fact of the court in ratifying the Charter of the United Nations to which the statute of the court was appended. But at present this country cannot become a party to any case before the court (with the exception of cases arising under the constitution of the international labor office, which is not likely to produce controversy) except by agreement with the other parties. The statute of the court does permit states, however, to accept the court's jurisdiction in certain classes of cases in advance. These classes include the interpretation of treaties; any question of international law; the existence of facts which, if established, would constitute a breach of international law, and reparations for breaches of international obligations.

The Court of International Justice which was established in connection with the League of Nations contained a similar provision which, at various times, was utilized by as many as 45 states, and the declarations of about 20 states were still in effect when the new Court came into existence. There declarations will be carried over, so that the United States would not be making any daring innovation if it were to recognize its responsibilities for the development of world law. It would, however, add great strength to the Court by demonstrating its confidence in the equity of the tribunal and its own determination to deal lawfully with all states.

The Court, as now constituted, is not a perfect instrument. It has been pointed out during the hearing in Washington that the international organ lacks a sheriff. That it is not quite accurate, since the Security Council can, if a decision of the Court is not respected, take action to enforce its decrees. The Security Council, however, is so imperfect an instrument in its own sphere that the criticism may well stand. What the Court can do is to foster, by the mutual consent of those litigants who appear before it, the concept of an overriding international law, trusting that its efficient and fair functioning will strengthen respect for the rights of States and the habit of subordinating purely national interests to the common good. In that process, the acceptance by the United States of the jurisdiction of the Court can be a most important factor.

[From the Washington Post of July 17, 1946]

WORLD COURT ISSUE

In the masterly report to the Senate, following his return from the second Paris Conference of the Council of Foreign Ministers, Senator ARTHUR H. VANDENBERG said: "Peace with justice is the supreme necessity for America and for the world." We think that it is well to remember that the achievement of this great objective cannot be left to peace conferences and chancelleries alone. Every nation, acting on its own, can help by demonstrating its readiness to put these principles into practices. And the more powerful the nation the greater its responsibility in this regard.

For this reason it is disturbing, on the eve of the Paris Peace Conference, to learn that the Senate Committee on Foreign Relations may not report out the resolution favoring acceptance of the new World Court's compulsory jurisdiction. It is said that the time for such action is not ripe. But if it is not ripe now, more than a year after the San Francisco Conference and with the need of a reign of law in the world more urgent than ever, it will never be ripe. Unless and until this resolution becomes our policy, as Senator Morse, its sponsor, pointed out in an eloquent speech

in the Senate on Wednesday, the United States "will never be able to convince the weaker nations of the world that there is in fact a squaring between our professions of wanting to promote international peace and our practices."

In the hearings which the Senate Foreign Relations Committee has held on the resolution not one dissenting voice was heard. Moreover, the Morse resolution has strong support on both sides of the Senate and has won the fervent approval of innumerable individuals and organizations. Recently President Truman expressed support for the principle enunciated in that resolution. Indeed, the only argument that has so far been advanced against the proposal is that we should not accept the World Court's compulsory jurisdiction until Russia has done so, Russia being the only other great power that still clings to voluntary jurisdiction. This argument is not convincing and, in his speech, Senator Morse tore it to shreds. Acceptance of the resolution would, he emphasized, constitute a demonstration to Russia that "we here and now are ready to take the next step in the development of amicable relations between America and Russia."

And, since the Court's compulsory jurisdiction would be binding on us only in cases where the other party was similarly bound, acceptance by the United States of that rule of law would not mean tying our hands while the hands of other nations remain united. It would mean that we are determined to square our practices with our professions, that we intend not only to talk peace and justice but also to live those principles.

EXECUTIVE SESSION

Mr. McCARRAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SWIFT in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations and a protocol, which were referred to the Committee on Foreign Relations.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. OVERTON, from the Committee on Commerce:

Col. George Mayo, Corps of Engineers, for appointment as member, California Debris Commission, vice Col. Rufus W. Putnam, Corps of Engineers, to be relieved.

By Mr. WALSH, from the Committee on Naval Affairs:

Sundry officers of the line of the Navy to be assistant paymasters in the Navy with the rank of ensign.

By Mr. THOMAS of Utah, from the Committee on Military Affairs:

Brig. Gen. Henry Balding Lewis (colonel, Adjutant General's Department), Army of the United States, for appointment in the Regular Army of the United States as Assistant The Adjutant General, with the rank of brigadier general, for a period of 4 years from the date immediately following that upon which Brig. Gen. Thomas Jefferson Davis, the present incumbent, vacates his appointment as Assistant The Adjutant General, and Prof. (Col.) Roger Gordon Alexander, United States Army, to be dean of the Academic Board of the United States Military Academy, with the rank of brigadier general, Regular Army.

to the discharge of its responsibilities, personnel may be employed and their compensation fixed without regard to such laws. Attorneys appointed under this paragraph may appear for and represent the Commission in any case in any court. The Commission shall make adequate provision for administrative review of any determination to dismiss any employee;

(5) acquire such materials, property, equipment, and facilities, establish or construct such buildings and facilities, and modify such buildings and facilities from time to time as it may deem necessary, and construct, acquire, provide, or arrange for such facilities and services (at project sites where such facilities and services are not available) for the housing, health, safety, welfare, and recreation of personnel employed by the Commission as it may deem necessary;

(6) with the consent of the agency concerned, utilize or employ the services or personnel of any Government agency or any State or local government, or voluntary or uncompensated personnel, to perform such functions on its behalf as may appear desirable;

(7) acquire, purchase, lease, and hold real and personal property as agent of and on behalf of the United States and to sell, lease, grant, and dispose of such real and personal property as provided in this act;

(8) contract for the expenditure of funds for the purposes specified in section 10 (b) without regard to the provisions of section 87 of the act of January 12, 1895 (28 Stat. 622), and section 11 of the act of March 1, 1919 (40 Stat. 1270; U. S. C. title 44, sec. 111); and

(9) without regard to the provisions of the Surplus Property Act of 1944 or any other law, make such disposition as it may deem desirable of (A) radioactive materials, and (B) any other property the special disposition of which is, in the opinion of the Commission, in the interest of the national security.

(b) Security: The President may, in advance, exempt any specific action of the Commission in a particular matter from the provisions of law relating to contracts whenever he determines that such action is essential in the interest of the common defense and security.

(c) Advisory committees: The members of the General Advisory Committee established pursuant to section 2 (b) and the members of advisory boards established pursuant to subsection (a) (1) of this section may serve as such without regard to the provisions of sections 109 and 113 of the Criminal Code (18 U. S. C., secs. 198 and 203) or section 19 (e) of the Contract Settlement Act of 1944, except insofar as such sections may prohibit any such member from receiving compensation in respect of any particular matter which directly involves the Commission or in which the Commission is directly interested.

Mr. THOMASON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1717) for the development and control of atomic energy, had come to no resolution thereon.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1947

Mr. O'NEAL submitted the following conference report and statement on the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 7 to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

EMMET O'NEAL,
HERMAN P. KOPPLEMANN,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
JOHN TABER,
GORDON CANFIELD,

Managers on the Part of the House.

KENNETH MCKELLAR,
PAT MCCARRAN,
CARL HAYDEN,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, Jr.,
CHAN GURNEY,
CLYDE M. REED,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment:

TREASURY DEPARTMENT

Amendment No. 7: Eliminates language proposing amendments to the Silver Purchase Act, the repeal of the transactions tax on silver bullion and prohibiting ceiling prices on silver and silver products.

EMMET O'NEAL,
HERMAN P. KOPPLEMANN,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
JOHN TABER,
GORDON CANFIELD,

Managers on the Part of the House.

Mr. O'NEAL. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 5452.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the conference report.

Mr. O'NEAL. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. A motion to reconsider was laid on the table.

DEPARTMENT OF LABOR AND FEDERAL SECURITY AGENCY APPROPRIATIONS, 1947—CONFERENCE REPORT

Mr. HARE submitted the following conference report and statement on the bill (H. R. 6739) making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1947, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 39 to the bill (H. R. 6739) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter stricken out by said amendment insert the following: "Provided further, That no part of the funds appropriated in this title shall be available to organize or assist in organizing agricultural laborers, or used in connection with investigations, hearings, directives, or orders concerning bargaining units composed of agricultural laborers as referred to in section 2 (3) of the Act of July 5, 1935 (49 Stat. 450), and as defined in section 3 (f) of the Act of June 25, 1938 (52 Stat. 1060)"; and the Senate agree to the same.

BUTLER B. HARE,
MATTHEW M. NEELY,
FRANK B. KEEFE,
H. CARL ANDERSEN,

Managers on the Part of the House.

PAT MCCARRAN,
KENNETH MCKELLAR,
JOSEPH H. BALL,
WALLACE H. WHITE, Jr.,
STYLES BRIDGES
(By J. H. B.),

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference of the disagreeing votes of the two Houses on amendment No. 39 of the Senate to the bill (H. R. 6739) making appropriations for the Department of Labor, the Federal Security Agency, and related independent agencies, for the fiscal year 1947, and for other purposes, submit the following statement in explanation of the action agreed upon by the conferees and recommended in the accompanying conference report:

The language agreed upon by the conferees differs from the original House language by preventing the use of any funds appropriated to the National Labor Relations Board for the purpose of organizing or assisting in organizing agricultural laborers, and further provides that the definition of "agricultural labor" as applied to the inhibition on the expenditure of funds for any hearings, investigation, directives, or orders by the National Labor Relations Board for collective-bargaining units composed of agricultural laborers shall be the definition contained in the Fair Labor Standards Act instead of the definition contained in the Social Security Act as provided in the original House language.

BUTLER B. HARE,
MATTHEW M. NEELY,
FRANK B. KEEFE,
H. CARL ANDERSEN,

Managers on the Part of the House.

Mr. HARE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 6739) making appropriations for the Department of Labor, Federal Security Agency, and related independent agencies for the fiscal year ending June 30, 1947, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.
The Clerk read the report.

Mr. HARE. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

UNITED NATIONS EDUCATIONAL, SCIENTIFIC, AND CULTURAL ORGANIZATION

Mr. BLOOM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the joint resolution (H. J. Res. 305) entitled "Joint resolution providing for membership and participation by the United States in the United Nations Educational, Scientific, and Cultural Organization," and authorizing an appropriation therefor, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

Page 2, lines 11 and 12, strike out "and must have been such for at least fifteen years."

Page 3, line 9, after "Cooperation", insert "of not to exceed one hundred members."

Page 3, line 9, strike out after "Cooperation," over to and including "States," in line 3, page 4, and insert "Such Commission shall be appointed by the Secretary of State and shall consist of (a) not more than sixty representatives of principal national, voluntary organizations interested in educational, scientific, and cultural matters; and (b) not more than forty outstanding persons selected by the Secretary of State, including not more than ten persons holding office under or employed by the Government of the United States, not more than fifteen representatives of the educational, scientific, and cultural interests of State and local governments, and not more than fifteen persons chosen at large. The Secretary of State is authorized to name in the first instance fifty of the principal national voluntary organizations, each of which shall be invited to designate one representative for appointment to the National Commission. Thereafter, the National Commission shall periodically review and, if deemed advisable, revise the list of such organizations designating representatives in order to achieve a desirable rotation among organizations represented."

Page 4, line 12, strike out "committee not exceeding fifteen persons" and insert "committee, and may designate such other committees as may prove necessary."

Page 4, line 15, strike out "it" and insert "them."

Page 5, lines 1 and 2, strike out "and must have been such for at least five years."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman explain the Senate amendments?

Mr. BLOOM. I took this matter up with the gentleman from New Hampshire [Mr. MERROW], who introduced the bill, who went over to London as your representative.

Mr. MARTIN of Massachusetts. But I would like to know a little bit about it also.

Mr. BLOOM. Well, they are simply perfecting amendments.

Mr. MARTIN of Massachusetts. Just what do the Senate amendments provide? What is the substance of them?

Mr. BLOOM. Two of the amendments remove an implication which the Senate felt to be unsound law. These amendments removed restrictions which provided that naturalized American citizens must have been naturalized at least 15 years before serving as representatives or alternates and at least 5 years before serving on the national commission. The Department of State had requested that these two provisions be eliminated and the Senate report supported the Department's thought that any law which implies that a native-born citizen is superior to a foreign-born citizen, or that a citizen naturalized for 15 years is better than one naturalized for 5 years, is unsound law.

Mr. MARTIN of Massachusetts. The Senate is not amending this bill just for the sake of amending it. It must have some purpose. Now, what were the amendments?

Mr. BLOOM. The third amendment, which has the approval of the State Department, relates to section 3 of the joint resolution. I believe that there will be no objection to the changes made by the Senate.

Mr. MARTIN of Massachusetts. I think we had better ask the gentleman to let this go over until tomorrow, until I have a chance to look over the amendments.

Mr. VORYS of Ohio. The gentleman from South Dakota [Mr. MUNDT] and the gentleman from Connecticut [Mr. RYTER] were the principal protagonists of amendments along this line. It seems to me that the changes which the Senate have made do not at all change the principles for which those gentlemen contended so ably before our committee. Am I not correct in that?

Mr. RYTER. Mr. Speaker, the principal change consists of the composition of this National Advisory Commission who are delegates to the UNESCO set-up. The House voted the original methods, which I had introduced, calling for the creation of this National Advisory Commission, to consist of representatives of the principal national educational, scientific, and cultural bodies in the United States. It took away from the Secretary of State the appointive power and left it to the selection of one or two individuals to be selected by this principal original organization. Originally the bill called for a body of 15, and allowed a certain amount of elasticity, so that thereafter this Commission might form the rules and regulations with reference to organizations interested in scientific and cultural matters. The Senate amendment places a ceiling of a hundred, but gives the principal private national organizations 60 of those 100 representatives, and divides the 40 amongst the other organizations upon a State and local basis. That amendment is agreeable to the proponents of the original amendment to the House version.

Mr. MARTIN of Massachusetts. The ordinary practice is that when legisla-

tion of this character is to be brought up, I should have an opportunity to look it over before unanimous consent is requested. When that is not done, I generally object until I have had that privilege.

Mr. RYTER. I trust that my explanation supplies the gentleman with the necessary information. If there are any other questions I will be glad to answer them.

Mr. MARTIN of Massachusetts. I think the gentleman should withdraw his request for the moment, and then we will see what we can do tomorrow.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. McCORMACK. This experience best illustrates the wisdom of the policy that exists among the leadership. It is based upon courtesy. I know there is no intent to be discourteous, but the custom and the practice of consulting the leadership on both sides and the Speaker before unanimous-consent requests are made should be strictly adhered to. My remarks are not to be construed as criticism, but what has happened here best illustrates the situation. The gentleman from Massachusetts [Mr. MARTIN] is minority leader. I knew nothing about this myself. I assumed the gentleman from Massachusetts [Mr. MARTIN] had been consulted. It is also wise to consult with the members of the minority party, the ranking members, on the committee, to whom the minority leader looks for their suggestions or advice or guidance.

Mr. BLOOM. Mr. Speaker, let me say that I did not intend to bring this up this afternoon but the Committee of the Whole having risen as early as it did I thought it would facilitate matters to call it up. I had spoken to the gentleman before. I am sorry I did not consult the minority leader.

Mr. MARTIN of Massachusetts. We are approaching what we hope are the closing days of the session and there are likely to be many pieces of legislation called up by unanimous consent. If the gentleman from Massachusetts [Mr. McCORMACK] and myself do not have the opportunity of looking it over we are likely to let legislation go through that some of the membership did not expect would go through.

Mr. BLOOM. I will say to the gentleman that it is my mistake. I did not know there was going to be any controversy about it.

Mr. MARTIN of Massachusetts. There is no controversy about it as far as I know but we do not like the way it is called up without prior consultation.

The SPEAKER. Does the gentleman from New York withdraw his request?

Mr. BLOOM. Mr. Speaker, I withdraw the request.

HOURLY MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS
APPROPRIATION BILL, 1947

JULY 19, 1946.—Ordered to be printed

Mr. O'NEAL, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 5452]

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate numbered 7 to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

Omit the matter stricken out and inserted by said amendment; and the Senate agree to the same.

EMMET O'NEAL,
HERMAN P. KOPPLEMANN,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
JOHN TABER,
GORDON CANFIELD,
Managers on the Part of the House.

KENNETH MCKELLAR,
PAT MCCARRAN,
CARL HAYDEN,
THEODORE FRANCIS GREEN,
WALLACE H. WHITE, Jr.,
CHAN GURNEY,
CLYDE M. REED,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 5452) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to such amendment:

TREASURY DEPARTMENT

Amendment No. 7: Eliminates language proposing amendments to the Silver Purchase Act, the repeal of the transactions tax on silver bullion and prohibiting ceiling prices on silver and silver products.

EMMET O'NEAL,
HERMAN P. KOPPLEMANN,
CLARENCE CANNON,
THOMAS D'ALESSANDRO, Jr.,
JOHN TABER,
GORDON CANFIELD,
Managers on the Part of the House.

○

[PUBLIC LAW 518—79TH CONGRESS]

[CHAPTER 588—2D SESSION]

[H. R. 5452]

AN ACT

Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1947, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—TREASURY DEPARTMENT

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Treasury Department for the fiscal year ending June 30, 1947, namely:

OFFICE OF THE SECRETARY

Salaries: Secretary of the Treasury, Under Secretary of the Treasury, Fiscal Assistant Secretary of the Treasury, two Assistant Secretaries of the Treasury, and other personal services in the District of Columbia, \$432,000: *Provided*, That no part of the money appropriated shall be used to pay the salaries of more than eighteen messengers assigned to duty in the Office of the Secretary.

Penalty mail costs: For deposit in the general fund of the Treasury for cost of penalty mail of the Treasury Department as required by section 2 of the Act of June 28, 1944 (Public Law 364), \$4,400,000.

FOREIGN FUNDS CONTROL

Foreign funds control: For all expenses necessary in carrying out the functions of the Secretary of the Treasury under sections 3 and 5 (b) of the Act of October 6, 1917, as amended (50 U. S. C. (App.) 3, and 50 U. S. C. (Suppl. 1941) 5 (b)), and any proclamations, orders, regulations, or instructions issued thereunder; and in exercising fiscal, financial, banking, property-control, and related functions, authorized by law, administered by the Treasury Department in foreign countries and arising out of military operations of the United States; including personal services; purchase of lawbooks, books of reference, periodicals, and newspapers; printing and binding; maintenance, repair, and operation of a motor-propelled passenger-carrying vehicle; and reimbursement of any other appropriation or other funds of the United States or any agency, instrumentality, Territory, or possession thereof, including the Philippine Islands, and reimbursement of any Federal Reserve bank for printing and other expenditures; \$1,000,000.

DIVISION OF TAX RESEARCH

Salaries: For personal services in the District of Columbia, \$175,000.

OFFICE OF TAX LEGISLATIVE COUNSEL

Salaries: For personal services in the District of Columbia, \$89,000.

DIVISION OF RESEARCH AND STATISTICS

Salaries: For personal services in the District of Columbia, \$165,000.

OFFICE OF GENERAL COUNSEL

Salaries: For the General Counsel and other personal services in the District of Columbia, \$177,050.

DIVISION OF PERSONNEL

Salaries: For the Chief of the Division, and other personal services in the District of Columbia, \$196,200.

OFFICE OF CHIEF CLERK

Salaries: For the Chief Clerk and other personal services in the District of Columbia, \$350,000.

MISCELLANEOUS EXPENSES, TREASURY DEPARTMENT

Miscellaneous expenses: For all necessary miscellaneous expenses of the Office of the Secretary and the bureaus and offices of the Treasury Department, not otherwise provided for; including operating expenses of the Treasury, Treasury Annex, Auditors', and Liberty Loan Buildings; books of reference, lawbooks, and periodicals; newspapers; not to exceed \$15,000 for travel expenses; maintenance, operation, and repair of three passenger automobiles (one for the Secretary of the Treasury and two for general use of the Department), all to be used for official purposes only; not to exceed \$500 for streetcar fares; and not to exceed \$25,000 for stationery; \$230,000.

Printing and binding: For printing and binding for the Treasury Department and its several bureaus and offices, and field services thereof, except such bureaus and offices as may be otherwise specifically provided for, including materials for the use of the bookbinder, located in the Treasury Department, but not including work done at the New York Customhouse bindery authorized by the Joint Committee on Printing in accordance with the Act of March 1, 1919 (44 U. S. C. 111), \$28,000.

CUSTODY OF TREASURY BUILDINGS

Salaries of operating force: For the Superintendent of Treasury Buildings and for other personal services in the District of Columbia, including the operating force of the Treasury Building, the Treasury Annex, the Liberty Loan Building, the Auditors' Building, and the west and south annexes thereof, \$555,000.

FISCAL SERVICE

BUREAU OF ACCOUNTS

Salaries and expenses: For all necessary expenses in the District of Columbia, except printing and binding of the Bureau of Accounts, including contract stenographic reporting services, stationery (not to exceed \$10,000), supplies and equipment; purchase and exchange of lawbooks, books of reference, periodicals, and newspapers; travel expenses, \$850,000.

Salaries and expenses, deposit of withheld taxes: For all necessary expenses incident to the deposit of withheld taxes in Government depositories pursuant to the Current Tax Payment Act of 1943, including personal services in the District of Columbia; not to exceed \$15,000 for printing and binding; and reimbursement to Federal Reserve banks for printing and other necessary expenses, \$475,000.

Printing and binding: For printing and binding for the Bureau of Accounts, \$35,000.

Division of Disbursement, salaries and expenses: For all necessary expenses, except printing and binding, of the Division of Disbursement, including personal services in the District of Columbia, stationery and travel; \$6,275,000: *Provided*, That with the approval of the Bureau of the Budget there may be transferred to this appropriation and to the appropriation "Printing and binding, Division of Disbursement" from funds respectively available for such purposes for the Federal Housing Administration, Federal Public Housing Authority, Federal Prison Industries, Railroad Retirement Board, United States Maritime Commission, the Farm Security Administration, and the Production and Marketing Administration (including the Federal Surplus Commodities Corporation, the Federal Crop Insurance Corporation, and the Commodity Credit Corporation), such sums as may be necessary to cover the expense incurred in performing the function of disbursement therefor.

Printing and binding: For printing and binding, Division of Disbursement, including the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, \$184,000.

Contingent expenses, public moneys: For contingent expenses under the requirements of section 3653 of the Revised Statutes (31 U. S. C. 545), for the collection, safekeeping, transfer, and disbursement of the public money, transportation of notes, bonds, and other securities of the United States, transportation of gold coin and gold certificates transferred to Federal Reserve banks and branches, United States mints and assay offices, and the Treasury, after March 9, 1933, actual expenses of examiners detailed to examine the books, accounts, and money on hand at the several depositories, including national banks acting as depositories under the requirements of section 3649, Revised Statutes (31 U. S. C. 548), also including examinations of cash accounts at mints, \$415,000.

Recoinage of silver coins: To enable the Secretary of the Treasury to continue the recoinage of worn and uncurrent subsidiary silver coins of the United States now in the Treasury or hereafter received, and to reimburse the Treasurer of the United States for the differ-

ence between the nominal or face value of such coins and the amount the same will produce in new coins, \$140,000.

Relief of the indigent, Alaska: For the payment to the United States district judges in Alaska (not to exceed 10 per centum of the receipts from licenses collected outside of incorporated towns in Alaska), to be expended for the relief of persons in Alaska who are indigent and incapacitated through nonage, old age, sickness, or accident, \$19,000.

Refund of moneys erroneously received and covered (indefinite appropriation): To enable the Secretary of the Treasury to meet any expenditures of the character formerly chargeable to the appropriation accounts abolished under section 18 of the Permanent Appropriation Repeal Act of 1934, approved June 26, 1934, and any other collections erroneously received and covered which are not properly chargeable to any other appropriation, there is hereby made available such amount as may be necessary.

Payment of certified claims (indefinite appropriation): To enable the Secretary of the Treasury to pay claims (not to exceed \$500 in any case) which may be certified during the fiscal year 1947 by the Comptroller General of the United States to be lawfully due, within the limits of, and chargeable against the balances of the respective appropriations heretofore made which, after remaining unexpended, have been carried to the surplus fund pursuant to section 5 of the Act of June 20, 1874 (31 U. S. C. 713), there is hereby made available such sum as may be necessary.

Payment of unclaimed moneys (indefinite appropriation): To enable the Secretary of the Treasury to meet any expenditures of the character formerly chargeable to the appropriation accounts abolished under section 17 of the Permanent Appropriation Repeal Act of 1934, approved June 26, 1934, payable from the funds held by the United States in the trust fund receipt account "Unclaimed moneys of individuals whose whereabouts are unknown", there is hereby made available such amount as may be necessary.

BUREAU OF THE PUBLIC DEBT

Administering the public debt: For necessary expenses connected with any public-debt operations authorized by the Second Liberty Bond Act, as amended (31 U. S. C. 760-762), and with the administration of any public debt or currency issues of the United States with which the Secretary of the Treasury is charged, \$65,300,000, to be expended as the Secretary of the Treasury may direct: *Provided*, That from the amount appropriated herein, the Federal Reserve banks and their branches may be reimbursed for expenditures made by them as fiscal agents of the United States on account of public-debt transactions for the account of the Secretary of the Treasury, and advances to the Postmaster General may be made in accordance with the provisions of section 22 (e) of the Second Liberty Bond Act, as amended (31 U. S. C. 757c (e)), which section shall be construed as applying to this appropriation: *Provided further*, That the indefinite appropriation provided by section 10 of the Second Liberty Bond Act, as amended, shall not be available for obligation during the fiscal year 1947.

Distinctive paper for United States currency: For distinctive paper for United States currency, including transportation of paper, traveling, mill, and other necessary expenses, and salaries of employees and allowance, in lieu of expenses, of officer or officers detailed from the Treasury Department, not exceeding \$50 per month each when actually on duty, \$775,000: *Provided*, That in order to foster competition in the manufacture of distinctive paper for United States securities, the Secretary of the Treasury is authorized, in his discretion, to split the award for such paper for the fiscal year 1947 between the two bidders whose prices per pound are the lowest received after advertisement.

OFFICE OF THE TREASURER OF THE UNITED STATES

Salaries and expenses: For all necessary expenses, except printing and binding, of the Office of the Treasurer of the United States, including purchase of periodicals and books of reference, \$4,750,000: *Provided*, That with the approval of the Bureau of the Budget, there may be transferred to this appropriation and to the appropriation "Printing and binding, Office of the Treasurer of the United States", from funds respectively available for such purposes for the Home Owners' Loan Corporation, Tennessee Valley Authority, Reconstruction Finance Corporation, Federal land banks and other banks and corporations under the supervision of the Farm Credit Administration, Railroad Retirement Board, United States Maritime Commission, Federal Housing Administration, Federal Public Housing Authority, Federal Farm Mortgage Corporation, Farm Security Administration, Production and Marketing Administration (including the Federal Surplus Commodities Corporation, the Federal Crop Insurance Corporation, and the Commodity Credit Corporation), and corporations and banks under the Federal Home Loan Bank Administration, such sums as may be necessary to cover the expenses incurred on account of such respective activities in clearing of checks, servicing of bonds, handling of collections, and rendering of accounts therefor.

Salaries (reimbursable): For personal services in the District of Columbia, in redeeming Federal Reserve notes, \$110,000, to be reimbursed by the Federal Reserve banks.

Printing and binding: For printing and binding for the Office of the Treasurer of the United States, \$215,000.

BUREAU OF CUSTOMS

Salaries and expenses: For collecting the revenue from customs, for enforcement, as specified in Executive Order 9083, of certain navigation laws, for the detection and prevention of frauds upon the customs revenue, and not to exceed \$100,000 for the securing of evidence of violations of the customs and navigation laws; for expenses of transportation and transfer of customs receipts from points where there are no Government depositories; not to exceed \$84,500 for foreign living allowances; not to exceed \$500 for subscriptions to newspapers; not to exceed \$85,000 for stationery; not to exceed \$12,000 for improving, repairing, maintaining, or preserving buildings, inspection stations, office quarters, including living quarters for officers, sheds, and sites along the Canadian and Mexican borders acquired under author-

ity of the Act of June 26, 1930 (19 U. S. C. 68); and for the purchase (not to exceed one hundred and fifty), maintenance, repair, and operation of motor-propelled passenger-carrying vehicles when necessary for official use in field work; for the payment of extra compensation earned by customs officers or employees for overtime services, at the expense of the parties in interest, in accordance with the provisions of section 5 of the Act approved February 13, 1911, as amended by the Act approved February 7, 1920, and section 451 of the Tariff Act, 1930, as amended (19 U. S. C. 261, 267, and 1451), the receipts from such overtime services to be deposited as a refund to the appropriation from which such overtime compensation is paid, in accordance with the provisions of section 524 of the Tariff Act of 1930, as amended; for the cost of seizure, storage, and disposition of any merchandise, vehicle and team, automobile, boat, air or water craft, or any other conveyance seized under the provisions of the customs laws; for the purchase of arms, ammunition, and accessories; not to exceed \$689,000 for personal services in the District of Columbia exclusive of ten persons from the field force authorized to be detailed under section 525 of the Tariff Act of 1930; and reimbursement, at not to exceed 3 cents per mile, of employees for travel performed by them in privately owned automobiles while engaged in inspecting, guarding, admeasuring, examining, sampling, investigating, and storekeeping duties within the limits of their official station; \$29,350,000, of which \$300,000 shall constitute an advance fund to enable the Bureau of Customs to meet obligations incurred by it arising from services rendered to private interests, pending receipt of reimbursements therefrom, which amount shall be returned to the Treasury not later than six months after the close of the fiscal year 1947.

Printing and binding: For printing and binding, Bureau of Customs, including the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, \$80,000.

Refunds and drawbacks (indefinite appropriation): For the refund or payment of customs collections or receipts, and for the payment of debentures or drawbacks, bounties, and allowances, as authorized by law, there is hereby made available such amount as may be necessary.

BUREAU OF INTERNAL REVENUE

Salaries and expenses: For salaries and expenses in connection with the assessment and collection of internal-revenue taxes and the administration of the internal-revenue laws, including the administration of such provisions of other laws as are authorized by or pursuant to law to be administered by or under the direction of the Commissioner of Internal Revenue, including one stamp agent (to be reimbursed by the stamp manufacturers) and the employment of experts; the securing of evidence of violations of the Acts, the cost of chemical analyses made by others than employees of the United States and expenses incident to such chemists testifying when necessary; telegraph and telephone service, postage, freight, express, necessary expenses incurred in making investigations in connection with the enrollment or disbarment of practitioners before the Treasury Department in internal-revenue matters, expenses of seizure and sale, and other necessary miscellaneous expenses, including stenographic reporting services; for

the acquisition of property under the provisions of title III of the Liquor Law Repeal and Enforcement Act, approved August 27, 1935 (49 Stat. 872-881), and the operation, maintenance, and repair of property acquired under such title III; for the purchase (not to exceed thirty-four), hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary, for official use of the Alcohol Tax and Intelligence Units in field work; printing and binding (not to exceed \$2,200,000); and the procurement of such supplies, stationery (not to exceed \$1,575,000), equipment, furniture, mechanical devices, laboratory supplies, periodicals, newspapers for the Alcohol Tax Unit, ammunition, lawbooks, and books of reference, and such other articles as may be necessary, \$184,700,000, of which amount not to exceed \$14,440,000 may be expended for personal services in the District of Columbia: *Provided*, That not more than \$100,000 of the total amount appropriated herein may be expended by the Commissioner of Internal Revenue for detecting and bringing to trial persons guilty of violating the internal-revenue laws or conniving at the same, including payments for information and detection of such violation.

Refunds and payments of processing and related taxes: For refunds and payments of processing and related taxes as authorized by titles IV and VII, Revenue Act of 1936, as amended; for refunds of taxes collected (including penalties and interest) under the Cotton Act of April 21, 1934, as amended (48 Stat. 598), the Tobacco Act of June 28, 1934, as amended (48 Stat. 1275), and the Potato Act of August 24, 1935 (49 Stat. 782), in accordance with the Second Deficiency Appropriation Act, fiscal year 1938 (52 Stat. 1150), as amended, and as otherwise authorized by law; and for redemption of tax stamps purchased under the aforesaid Tobacco and Potato Acts, there is hereby continued available, during the fiscal year 1947, the unexpended balance of the funds made available to the Treasury Department for these purposes for the fiscal year 1946 by the Treasury Department Appropriation Act, 1946.

Additional income tax on railroads in Alaska: For the payment to the Treasurer of Alaska of an amount equal to the tax of 1 per centum collected on the gross annual income of all railroad corporations doing business in Alaska, on business done in Alaska, which tax is in addition to the normal income tax collected from such corporations on net income, the amount of such additional tax to be applicable to general Territorial purposes, \$7,000.

Refunding internal-revenue collections (indefinite appropriation): For refunding internal-revenue collections, as provided by law, including the payment of claims for the prior fiscal years and payment of accounts arising under "Allowance or draw-back (Internal Revenue)", "Redemption of stamps (Internal Revenue)", "Refunding legacy taxes, Act of March 30, 1928", and "Repayment of taxes on distilled spirits destroyed by casualty", there is hereby appropriated such amount as may be necessary: *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of the Act of May 29, 1928 (sec. 3776, I. R. C.), including the names of all persons and corporations to whom such payments are made, together with the amount paid to each.

BUREAU OF NARCOTICS

Salaries and expenses: For expenses to enforce sections 2550-2565; 2567-2571; 2590-2603; 3220-3228; 3230-3238 of the Internal Revenue Code; the Narcotic Drugs Import and Export Act, as amended (21 U. S. C. 171-184); the Act of June 14, 1930 (5 U. S. C. 282-282c and 21 U. S. C. 197-198) and the Opium Poppy Control Act of 1942 (21 U. S. C. Supp. IV, 188-188n), including the employment of executive officers, attorneys, agents, inspectors, chemists, supervisors, clerks, messengers, and other necessary employees in the field and in the Bureau of Narcotics in the District of Columbia, to be appointed as authorized by law; the securing of information and evidence of violations of the afore-mentioned laws and regulations promulgated thereunder; the costs of chemical analyses made by others than employees of the United States; the purchase of such supplies, equipment, mechanical devices, books, stationery (not to exceed \$6,000), and such other expenditures as may be necessary in the several field offices; cost incurred by officers and employees of the Bureau of Narcotics in the seizure, forfeiture, storage, and disposition of property under the Act of August 9, 1939 (49 U. S. C. 781-788) and the internal-revenue laws; hire, maintenance, repair, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary for official use in field work; purchase of arms and ammunition; in all, \$1,300,000, of which amount not to exceed \$193,319 may be expended for personal services in the District of Columbia: *Provided*, That not exceeding \$10,000 may be expended for the collection and dissemination of information and appeal for law observance and law enforcement, including cost of printing, purchase of newspapers, and other necessary expenses in connection therewith: *Provided further*, That not exceeding \$10,000 may be expended for services or information looking toward the apprehension of narcotic law violators who are fugitives from justice.

Printing and binding: For printing and binding for the Bureau of Narcotics, \$4,000.

BUREAU OF ENGRAVING AND PRINTING

For the work of engraving and printing, exclusive of repay work, during the fiscal year 1947, United States currency and internal-revenue stamps, including opium orders and special-tax stamps required under the Act of December 17, 1914 (26 U. S. C. 1040, 1383), checks, drafts, and miscellaneous work, as follows:

Salaries and expenses: For the Director, two Assistant Directors, and other personal services in the District of Columbia, including wages of rotary press plate printers at per diem rates and all other plate printers at piece rates to be fixed by the Secretary of the Treasury, not to exceed the rates usually paid for such work; and all other necessary expenses, except printing and binding, including engravers' and printers' materials and other materials, including distinctive and nondistinctive paper, except distinctive paper for United States currency and Federal Reserve bank currency; purchase of card and continuous form checks; equipment of, repairs to, and maintenance of buildings and grounds and minor alterations to buildings; periodicals,

examples of engraving and printing, including foreign securities and stamps, and books of reference, not to exceed \$500; traveling expenses not to exceed \$15,000; articles approved by the Secretary of the Treasury as being necessary for the protection of the person of employees, not to exceed \$2,200; stationery, not to exceed \$5,000; transfer to the Bureau of Standards for scientific investigations in connection with the work of the Bureau of Engraving and Printing, not to exceed \$15,000; and maintenance and operation of two motor-propelled passenger-carrying vehicles; \$11,750,000, to be expended under the direction of the Secretary of the Treasury.

Printing and binding: For printing and binding for the Bureau of Engraving and Printing, \$5,500.

During the fiscal year 1947 all proceeds derived from work performed by the Bureau of Engraving and Printing, by direction of the Secretary of the Treasury, not covered and embraced in the appropriations for such Bureau for such fiscal year, instead of being covered into the Treasury as miscellaneous receipts, as provided by the Act of August 4, 1886 (31 U. S. C. 176), shall be credited when received to the appropriations for such Bureau for the fiscal year 1947.

SECRET SERVICE DIVISION

Salaries: For the Chief of the Division and other personal services in the District of Columbia, \$100,000.

Suppressing counterfeiting and other crimes: For salaries and other expenses in detecting, arresting, and delivering into the custody of the United States marshal or other officer having jurisdiction, dealers and pretended dealers in counterfeit money, persons engaged in counterfeiting, forging, and altering United States notes, bonds, national bank notes, Federal Reserve notes, Federal Reserve bank notes, and other obligations and securities of the United States and of foreign governments (including endorsements thereon and assignments thereof), as well as the coins of the United States and of foreign governments, and persons committing other crimes against the laws of the United States relating to the Treasury Department and the several branches of the public service under its control; purchase (not to exceed sixty), hire, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles when necessary; purchase of arms and ammunition; stationery (not to exceed \$7,500); traveling expenses; and for no other purpose whatsoever, except in the performance of other duties specifically authorized by law, and in the protection of the person of the President and the members of his immediate family and of the person chosen to be President of the United States; \$1,800,000: *Provided*, That of the amount herein appropriated not to exceed \$15,000 may be expended for the purpose of securing information concerning violations of the laws relating to the Treasury Department, and for services or information looking toward the apprehension of criminals, and all vouchers claiming reimbursement from such amount of \$15,000 shall have the approval of the Chief of the Secret Service before payment.

White House Police: For one captain, one inspector, four lieutenants, six sergeants, and one hundred and two privates, at rates of pay provided by law, \$325,000, notwithstanding the provisions of the Act of April 22, 1940 (3 U. S. C. 62).

For uniforming and equipping the White House Police, including the purchase, issue, and repair of revolvers, and the purchase and issue of ammunition and miscellaneous supplies, to be procured in such manner as the President in his discretion may determine, \$9,000.

Salaries and expenses, guard force, Treasury buildings: For salaries and expenses of the guard force for Treasury Department buildings in the District of Columbia, including the Bureau of Engraving and Printing, and elsewhere, including purchase, repair, and cleaning of uniforms, purchase (not to exceed three), maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, and the purchase of arms and ammunition and miscellaneous equipment, \$825,000: *Provided* That not to exceed \$140,554 of the appropriation "Salaries and expenses, Bureau of Engraving and Printing", may be transferred to this appropriation to cover service rendered such Bureau in connection with the protection of currency, bonds, stamps, and other papers of value the cost of producing which is not covered and embraced in the direct appropriations for such Bureau: *Provided further*, That the Secretary of the Treasury may detail two agents of the Secret Service to supervise such force.

Printing and binding: For printing and binding for the Secret Service Division, \$8,000.

Reimbursement to District of Columbia, benefit payments to White House Police and Secret Service forces: To enable the Secretary of the Treasury to reimburse the District of Columbia on a monthly basis for benefit payments made from the revenues of the District of Columbia to members of the White House Police force and such members of the United States Secret Service Division as are entitled thereto under the Act of October 14, 1940 (54 Stat. 1118), to the extent that such benefit payments are in excess of the salary deductions of such members credited to said revenues of the District of Columbia during the fiscal year 1947, pursuant to section 12 of the Act of September 1, 1916 (39 Stat. 718), as amended, \$45,000.

BUREAU OF THE MINT

Salaries and expenses, Office of the Director: For personal services in the District of Columbia and for assay laboratory chemicals, fuel, materials, balances, weights, stationery (not to exceed \$700), books, periodicals, specimens of coins, ores, and travel and other expenses incident to the examination of mints, visiting mints for the purpose of superintending the annual settlement, and for the collection of statistics relative to the annual production and consumption of the precious metals in the United States, \$170,000.

Transportation of bullion and coin: For transportation of bullion and coin, by registered mail or otherwise, between mints, assay offices, and bullion depositories, \$85,000, including compensation of temporary employees and other necessary expenses.

Salaries and expenses, mints and assay offices: For compensation of officers and employees of the mints at Philadelphia, Pennsylvania; San Francisco, California; and Denver, Colorado; the assay offices at New York, New York; and Seattle, Washington, and the bullion depositories at Fort Knox, Kentucky; and West Point, New York, including necessary personal services for carrying out the provisions

of the Gold Reserve Act of 1934 and the Silver Purchase Act of 1934, and any Executive orders, proclamations, and regulations issued thereunder, and for incidental and contingent expenses, including traveling expenses, stationery (not to exceed \$3,900), new machinery and repairs, arms and ammunition, purchase and maintenance of uniforms and accessories for guards, protective devices, and their maintenance, training of employees in use of firearms and protective devices, maintenance, repair, and operation of three motor-propelled passenger-carrying vehicles, cases and enameling for medals manufactured, net wastage in melting and refining and in coining departments, loss on sale of sweeps arising from the treatment of bullion and the manufacture of coins, not to exceed \$500 for the expenses of the annual assay commission, and not exceeding \$1,000 for the acquisition, at the dollar face amount or otherwise, of specimen and rare coins, including United States and foreign gold coins and pieces of gold used as, or in lieu of, money, and ores, for addition to the Government's collection of such coins, pieces, and ores; \$6,000,000.

Printing and binding: For printing and binding for the Bureau of the Mint, \$9,500.

PROCUREMENT DIVISION

Salaries and expenses: For the Director of Procurement and other personal services in the District of Columbia and in the field service, and for miscellaneous expenses, including office supplies and materials, stationery (not to exceed \$31,500), purchase of motortrucks and maintenance and operation of such trucks and motor-propelled passenger-carrying vehicles, telegrams, telephone service, traveling expenses, office equipment, fuel, light, electric current, and other expenses for carrying into effect regulations governing the procurement, warehousing, and distribution by the Procurement Division of the Treasury Department of property, equipment, stores, and supplies in the District of Columbia and in the field, \$1,227,000: *Provided*, That the Secretary of the Treasury is authorized and directed during the fiscal year 1947 to transfer to this appropriation from any appropriations or funds available to the several departments and establishments of the Government for the fiscal year 1947 such amounts as may be approved by the Bureau of the Budget, not to exceed the sum of (a) the amount of the annual compensation of employees who may be transferred or detailed to the Procurement Division, respectively, from any such department or establishment, where the transfer or detail of such employees is incident to a transfer of a function or functions to that Division and (b) such amount as the Bureau of the Budget may determine to be necessary for expenses other than personal services incident to the proper carrying out of functions so transferred: *Provided further*, That when there has been or shall be transferred from any agency of the Government to the Procurement Division any function of warehousing, and the agency from which such function is being transferred is authorized at the time of such transfer to perform functions of procurement, warehousing, or distribution of property, equipment, stores, or supplies for non-Federal agencies the Procurement Division is authorized during the fiscal year 1947 to continue the performance of such functions for such non-Federal agencies where such functions are to be discon-

tinued by the agency from which the warehousing function has been transferred, and the receipts, including surcharge, for all issues to and all advances by all non-Federal agencies shall be credited to the general supply fund: *Provided further*, That payments during the fiscal year 1947 to the general supply fund for materials, and supplies (including fuel), and services, and overhead expenses for all issues shall be made on the books of the Treasury Department by transfer and counterwarrants prepared by the Procurement Division of the Treasury Department and countersigned by the Comptroller General, such warrants to be based solely on itemized invoices prepared by the Procurement Division at issue prices to be fixed by the Director of Procurement: *Provided further*, That payments covering transactions between the Procurement Division and field offices of other Government agencies whose detailed appropriation or fund accounts are maintained elsewhere than within the District of Columbia, may be made on the basis of itemized vouchers or invoices prepared by the Procurement Division and sent through the appropriate field offices to the disbursing officers for the agencies involved, who are hereby authorized to make payment based (1) upon certification of the Procurement Division, which shall include the specific statement that the vouchers are issued pursuant to and in conformity with purchase orders or requisitions duly executed by the agency billed, and (2) upon approval and certification of such vouchers by the agency billed, which action shall be based upon acceptance of the Procurement Division certification as made, subject to later adjustment if necessary, the responsibility of the certifying officer to be limited to the availability of the funds to be charged: *Provided further*, That the general supply fund may be used to purchase from or through the Public Printer standard forms and blankbook work for field warehouse stocking and issue, but issues thereof shall be made only to Government agencies and shall be chargeable to applicable appropriation authorizations or limitations of such agencies for printing and binding, and reports of such issues shall be made as the Public Printer may require: *Provided further*, That advances received pursuant to law (31 U. S. C. 686) from departments and establishments of the United States Government and the government of the District of Columbia during the fiscal year 1947 shall be credited to the general supply fund: *Provided further*, That during the fiscal year 1947 there shall be available from the general supply fund for personal services in the District of Columbia not to exceed \$1,250,000: *Provided further*, That per diem employees engaged in work in connection with operations of the fuel yards may be paid rates of pay approved by the Secretary of the Treasury not exceeding current rates for similar services in the District of Columbia: *Provided further*, That the term "fuel" shall be held to include "fuel oil": *Provided further*, That the reconditioning and repair of surplus property and equipment for disposition or reissue to Government service, may be made at cost by the Procurement Division, payment therefor to be effected by charging the proper appropriation and crediting the general supply fund: *Provided further*, That all orders for printing and binding for the Treasury Department, exclusive of work performed by the Bureau of Engraving and Printing and exclusive of such printing and binding as may under existing law be procured

by field offices under authorization of the Joint Committee on Printing, shall be placed by the Director of Procurement in accord with the provisions of existing law.

Repairs to typewriting machines (except bookkeeping and billing machines) in the Government service in the District of Columbia and areas adjacent thereto may be made at cost by the Procurement Division, payment therefor to be effected by charging the proper appropriation and crediting the general supply fund.

No part of any money appropriated by this or any other Act shall be used during the fiscal year 1947 for the purchase, within the continental limits of the United States, of any standard typewriting machines (except bookkeeping, billing, and electric machines) at a price in excess of the following for models with carriages which will accommodate paper of the following widths, to wit: Ten inches (correspondence models), \$77; twelve inches, \$82.50; fourteen inches, \$85.25; sixteen inches, \$90.75; eighteen inches, \$96.25; twenty inches, \$103.40; twenty-two inches, \$104.50; twenty-four inches, \$107.25; twenty-six inches, \$113.85; twenty-eight inches, \$114.40; thirty inches, \$115.50; thirty-two inches, \$118.25; or, for standard typewriting machines, distinctively quiet in operation, the maximum prices shall be as follows for models with carriages which will accommodate paper of the following widths, to wit: Ten inches, \$88; twelve inches, \$93.50; fourteen inches, \$99; eighteen inches, \$104.50: *Provided*, That there may be added to such prices the amount of Federal excise taxes paid or payable with respect to any such machines.

Printing and binding: For printing and binding for the Procurement Division, including printed forms and miscellaneous items for general use of the Treasury Department, the cost of transportation to field offices of printed and bound material and the cost of necessary packing boxes and packing materials, \$150,000, together with not to exceed \$4,000 to be transferred from the general supply fund, Treasury Department.

No part of any appropriation or authorization in this Act shall be used to pay any part of the salary or expenses of any person whose salary or expenses are prohibited from being paid from any appropriation or authorization in any other Act.

This title may be cited as the "Treasury Department Appropriation Act, 1947".

TITLE II—POST OFFICE DEPARTMENT

The following sums are appropriated in conformity with 5 U. S. C. 361, 380, 39 U. S. C. 786, for the Post Office Department for the fiscal year ending June 30, 1947, namely:

POST OFFICE DEPARTMENT, WASHINGTON, DISTRICT OF COLUMBIA

OFFICE OF THE POSTMASTER GENERAL

Salaries: For the Postmaster General and other personal services in the office of the Postmaster General in the District of Columbia, \$324,900.

SALARIES IN BUREAUS AND OFFICES

For personal services in the District of Columbia in bureaus and offices of the Post Office Department in not to exceed the following amounts, respectively:

Office of Budget and Administrative Planning, \$50,650.
Office of the First Assistant Postmaster General, \$952,300.
Office of the Second Assistant Postmaster General, \$762,000.
Office of the Third Assistant Postmaster General, \$1,161,750.
Office of the Fourth Assistant Postmaster General, \$644,900.
Office of the Solicitor for the Post Office Department, \$158,750.
Office of the chief inspector, \$380,500.
Office of the purchasing agent, \$67,800.
Bureau of Accounts, \$522,000.

CONTINGENT EXPENSES, POST OFFICE DEPARTMENT

For all necessary contingent and miscellaneous expenses not otherwise provided for; including maintenance, repair, and operation of two passenger automobiles; purchase and exchange of lawbooks and books of reference; newspapers; and travel expenses of the purchasing agent and of the Solicitor and attorneys connected with his office, not exceeding \$1,900; \$155,000.

For printing and binding for the Post Office Department and Postal Service, \$1,825,000.

Appropriations hereinafter made for the field service of the Post Office Department, except as otherwise provided, shall not be expended for any of the purposes hereinbefore provided for on account of the Post Office Department in the District of Columbia: *Provided*, That the actual and necessary expenses of officials and employees of the Post Office Department and Postal Service, when traveling on official business, may be paid from the appropriations for the service in connection with which the travel is performed, and appropriations for the fiscal year 1947 shall be available therefor: *Provided further*, That appropriations hereinafter made, except such as are exclusively for payment of compensation, shall be available for expenses in connection with the examination of estimates for appropriations in the field including per diem allowances in lieu of actual expenses of subsistence.

FIELD SERVICE, POST OFFICE DEPARTMENT

OFFICE OF THE POSTMASTER GENERAL

Travel expenses, Postmaster General and Assistant Postmasters General: For travel and miscellaneous expenses in the Postal Service, offices of the Postmaster General and Assistant Postmasters General, \$3,000.

Personal or property damage claims: To enable the Postmaster General to pay claims for damages, occurring during the fiscal year 1947, or in prior fiscal years, to persons or property in accordance with the provisions of the Deficiency Appropriation Act, approved June 16, 1921 (5 U. S. C. 392), as amended by the Act approved June 22, 1934 (31 U. S. C. 224c), \$124,000.

Adjusted losses and contingencies: To pay to postmasters, Navy mail clerks, and assistant Navy mail clerks or credit them with the amount ascertained to have been lost or destroyed during the fiscal year 1947, or prior fiscal years, through unavoidable casualty resulting from no fault or negligence on their part, as authorized by the Act approved March 17, 1882, as amended (39 U. S. C. 49), \$55,000.

OFFICE OF CHIEF INSPECTOR

Salaries of inspectors: For salaries of fifteen inspectors in charge of divisions and eight hundred inspectors, \$3,838,000.

Travel and miscellaneous expenses: For necessary travel expenses of inspectors, inspectors in charge, the chief post-office inspector, and the assistant chief post-office inspector, including reimbursement of not to exceed 3 cents per mile for official travel performed by them in privately owned automobiles within the limits of their official stations, and for the travel expenses of four clerks performing stenographic and clerical assistance to post-office inspectors in the investigation of important fraud cases; for tests, exhibits, documents, photographs, office, and other necessary expenses incurred by post-office inspectors in connection with their official investigations, including necessary miscellaneous expenses of division headquarters, and not to exceed \$500 for books of reference needed in the operation of the Post Office Inspection Service, \$960,000: *Provided*, That not exceeding \$24,500 of this sum shall be available for transfer by the Postmaster General to other departments and independent establishments for chemical and other investigations.

Clerks: For compensation of three hundred and eighty-nine clerks in the Post Office Inspection Service, \$1,073,500.

Payment of rewards: For payment of rewards for the detection, arrest, and conviction of post-office burglars, robbers, highway mail robbers, and persons mailing or causing to be mailed any bomb, infernal machine, or mechanical, chemical, or other device or composition which may ignite, or explode, \$55,000: *Provided*, That rewards may be paid in the discretion of the Postmaster General, when an offender of the classes mentioned was killed in the act of committing the crime or in resisting lawful arrest: *Provided further*, That no part of this sum shall be used to pay any rewards at rates in excess of those specified in Post Office Department Order 28673, dated July 28, 1945: *Provided further*, That of the amount herein appropriated not to exceed \$20,000 may be expended in the discretion of the Postmaster General, for the purpose of securing information concerning violations of the postal laws and for services and information looking toward the apprehension of criminals.

OFFICE OF THE FIRST ASSISTANT POSTMASTER GENERAL

Compensation to postmasters: For compensation to postmasters, including compensation as postmaster to persons who, pending the designation of an acting postmaster, assume and properly perform the duties of postmaster in the event of a vacancy in the office of postmaster of the third or fourth class, and for allowances for rent, light, fuel, and equipment to postmasters of the fourth class, \$74,000,000.

Compensation to assistant postmasters: For compensation to assistant postmasters at first- and second-class post offices, \$11,440,000.

Clerks, first- and second-class post offices: For compensation to clerks and employees at first- and second-class post offices, including auxiliary clerk hire at summer and winter post offices, printers, mechanics, skilled laborers, watchmen, messengers, mail handlers, and substitutes, \$391,870,000.

Contract station service: For contract station service, \$3,100,000.

Separating mails: For separating mails at fourth-class post offices, \$180,000.

Unusual conditions: For unusual conditions at post offices, \$50,000.

Clerks, third-class post offices: For compensation to clerks at third-class post offices, \$17,512,000.

Miscellaneous items, first- and second-class post offices: For miscellaneous items necessary and incidental to the operation and protection of post offices of the first and second classes, and the business conducted in connection therewith, not provided for in other appropriations, \$3,000,000.

Village delivery service: For village delivery service in towns and villages having post offices of the second or third class, and in communities adjacent to cities having city delivery, \$273,400.

Detroit River service: For Detroit River postal service, \$12,990.

Carfare and bicycle allowance: For carfare and bicycle allowance, including special-delivery carfare, cost of transporting carriers by privately owned automobiles to and from their routes, at rates not exceeding regular streetcar or bus fare, and purchase, maintenance, and exchange of bicycles, \$1,575,000.

City delivery carriers: For pay of letter carriers, City Delivery Service, and United States Official Mail and Messenger Service, \$217,000,000.

Special-delivery compensation and fees: For compensation and fees to special-delivery messengers, \$12,500,000.

Rural Delivery Service: For pay of rural carriers, auxiliary carriers, substitutes for rural carriers on annual and sick leave, clerks in charge of rural stations, tolls and ferriage, and necessary miscellaneous and incidental expenses of the Rural Delivery Service, \$114,500,000 of which not less than \$200,000 shall be available for extensions and new service.

OFFICE OF THE SECOND ASSISTANT POSTMASTER GENERAL

Star-route service: For inland transportation by star routes (excepting service in Alaska), including temporary service to newly established offices, \$20,700,000.

Star Route and Air Mail Service, Alaska: For inland transportation by Star Route and Air Mail Service in Alaska, \$375,000.

Powerboat service: For inland transportation by steamboat or other powerboat routes, including ship, steamboat, and way letters, \$1,600,000.

Railroad transportation and mail messenger service: For inland transportation by railroad routes and for mail messenger service, \$137,000,000: *Provided*, That separate accounts be kept of the amount expended for mail messenger service.

Railway Mail Service: For fifteen division superintendents, fifteen assistant division superintendents, two assistant superintendents at large, one hundred and twenty chief clerks, one hundred and twenty assistant chief clerks, and other employees in the Railway Mail Service, \$85,500,000.

Railway postal clerks, travel allowance: For travel allowance to railway postal clerks and substitute railway postal clerks, \$4,800,000.

Railway Mail Service, travel expenses: For actual and necessary travel expenses, general superintendent and assistant general superintendent, division superintendents, assistant division superintendents, assistant superintendents, chief clerks, and assistant chief clerks, Railway Mail Service, and railway postal clerks, \$58,000.

Railway Mail Service, miscellaneous expenses: For all necessary miscellaneous expenses of the Railway Mail Service not provided for in other appropriations, \$415,000.

Electric-car service: For electric-car service, \$235,000.

Foreign mail transportation: For transportation of foreign mails, except by aircraft, \$4,000,000: *Provided*, That the Postmaster General is authorized to spend such sums as may be necessary, not to exceed \$72,000, to cover the cost to the United States for maintaining sea post service on ocean steamships conveying mails to and from the United States.

Balances due foreign countries: The unexpended balances of the appropriations, "Balances due foreign countries", for the fiscal years 1944, 1945, and 1946 are hereby made available for the fiscal year 1947 and prior years.

Indemnities, international mail: For payment of limited indemnity for the injury or loss of international mail in accordance with convention, treaty, or agreement stipulations, fiscal year 1947 and prior years, \$8,000: *Provided*, That the unexpended balances of the appropriations, "Indemnities, international mail", for the fiscal years 1945 and 1946, are hereby made available for the fiscal year 1947 and prior years.

Foreign air-mail transportation: For transportation of foreign mails by aircraft, as authorized by law, including the transportation of mail by aircraft between Seattle, Washington, and Fairbanks, Alaska, via, intermediate points, \$5,000,000.

Domestic Air Mail Service: For the inland transportation of mail by aircraft, as authorized by law, and for all necessary miscellaneous and travel expenses, and including not to exceed \$106,000 for supervisory officials and clerks at field headquarters, \$49,000,000.

OFFICE OF THE THIRD ASSISTANT POSTMASTER GENERAL

Manufacture and distribution of stamps and stamped paper: For manufacture and distribution of stamps and stamped paper, and not to exceed \$27,000 for compensation to employees of the United States Stamped Envelope Agency, and for all necessary miscellaneous expenses of said agency, \$6,500,000.

Indemnities, domestic mail: For payment of indemnity for the injury or loss of domestic registered, insured and collect-on-delivery mail, and for failure to remit collect-on-delivery charges, fiscal year 1947 and prior years, \$2,200,000.

Unpaid money orders more than one year old: For payment of domestic money orders after one year from the last day of the month of issue of such orders, \$1,300,000.

OFFICE OF THE FOURTH ASSISTANT POSTMASTER GENERAL

Post Office stationery, equipment, and supplies: For the purchase, manufacture, repair, and installation of all necessary miscellaneous equipment and supplies for the Postal Service not provided for in other appropriations; for incidental expenses of the Postal Service not provided for in other appropriations; accident prevention; for the purchase of atlases and geographical and technical works not to exceed \$1,500; and not exceeding \$112,250 for personal services, and not to exceed \$42,200 for salaries of thirteen traveling mechanics; for rental of canceling machines and motors, mechanical mail-handling apparatus, and other labor-saving devices, and for travel expenses, \$6,192,000 of which \$1,000,000 shall be available exclusively for the purchase of omnidenominational postage meters, stamp vending machines, coin-operated postage meters, and other modern mechanical postal devices: *Provided*, That the Postmaster General may authorize the sale to the public of post-route maps and rural-delivery maps or blueprints at the cost of printing and 10 per centum thereof added.

Equipment shops, Washington, District of Columbia: For the purchase, manufacture, and repair of mail bags and other equipment for the postal service not provided for in other appropriations; accident prevention; for all necessary and miscellaneous expenses incident to the operation, care, maintenance, and protection of the mail equipment shops building, grounds, and equipment, \$2,575,000; of which not to exceed \$869,500 may be expended for personal services in the District of Columbia: *Provided*, That out of this appropriation the Postmaster General is authorized to use as much of the sum, not exceeding \$15,000, as may be deemed necessary for the purchase of material and the manufacture in the equipment shops of such small quantities of distinctive equipments as may be required by other executive departments; and for service in Alaska, Puerto Rico, Philippine Islands, Hawaii, or other island possessions.

Rent, light, power, fuel, and water: For rent, light, power, fuel, and water, for first-, second-, and third-class post offices, and the cost of advertising for lease proposals for such offices, \$12,825,000.

Pneumatic-tube service, New York City, and Boston: For rental of not exceeding twenty-eight miles of pneumatic tubes, hire of labor, communication service, electric power, and other expenses for transmission of mail in the city of New York including the Borough of Brooklyn; and for rental of not exceeding two miles of pneumatic tubes, not including labor and power in operating the same, for the transmission of mail in the city of Boston, Massachusetts, \$608,700: *Provided*, That the Acts of April 21, 1902, May 27, 1908, and June 19, 1922 (39 U. S. C. 423), relating to contracts for the transmission of mail by pneumatic tubes or other similar devices shall not be applicable to the city of New York and the provisions not inconsistent herewith of the Acts of April 21, 1902, and May 27, 1908 (39 U. S. C. 423), shall be applicable to the city of Boston.

Vehicle service: For the hire, purchase, maintenance, repair, and operation of vehicles for use in the collection, transportation, delivery, and supervision of the mail, including the repair of vehicles owned by, or under the control of, units of the National Guard and departments and agencies of the Federal Government where repairs are made necessary because of utilization of such vehicles in the Postal Service; the rental of garage facilities; accident prevention; and including compensation to necessary employees in the Motor Vehicle Service, \$33,381,000 of which \$3,500,000 shall be available immediately and exclusively for the purchase of trucks: *Provided*, That the Postmaster General may, in his disbursement of this appropriation, apply a part thereof to the leasing of quarters for the housing of Government-owned motor vehicles at a reasonable annual rental for a term not exceeding ten years: *Provided further*, That the Postmaster General may purchase and maintain from this appropriation such tractors and trailer trucks as may be required in the operation of the vehicle service: *Provided further*, That no part of this appropriation shall be expended for maintenance or repair of motor-propelled passenger-carrying vehicles for use in connection with the administrative work of the Post Office Department in the District of Columbia.

Transportation of equipment and supplies: For the transportation and delivery of equipment, materials, and supplies for the Post Office Department and Postal Service by freight, express, or motor transportation, and other incidental expenses, \$520,000.

PUBLIC BUILDINGS, MAINTENANCE AND OPERATION

Operating force: For compensation to employees in the custodial service, \$37,110,000.

Operating supplies, public buildings: For all necessary miscellaneous articles, services and supplies, including transportation thereof, required for the operation of completed and occupied public buildings and grounds operated by the Post Office Department, accident prevention, \$6,723,750: *Provided*, That the foregoing appropriation shall not be available for personal services except for work done by contract, or for temporary job labor under exigency not exceeding at one time the sum of \$250 at any one building: *Provided further*, That the Postmaster General is authorized to contract for telephone service in public buildings under his administration by means of telephone switchboards or equivalent telephone switching equipment jointly serving in each case two or more governmental activities, where he determines that joint service is economical and in the interest of the Government, and to secure reimbursement for the cost of such joint service from available appropriations for telephone expenses of the bureaus and offices receiving the same.

Furniture, carpets, and safes, public buildings: For the procurement, including transportation, of furniture, carpets, safes, safe and vault protective devices, and repairs of same, for use in public buildings which are now, or may hereafter be, operated by the Post Office Department, \$818,000: *Provided*, That excepting expenditures for labor for or incidental to the moving of equipment from or into public buildings, the foregoing appropriation shall not be used for personal services except for work done under contract or for temporary job labor

under exigency and not exceeding at one time the sum of \$100 at any one building: *Provided further*, That all furniture now owned by the United States in other public buildings or in buildings rented by the United States shall be used, so far as practicable, whether or not it corresponds with the present regulation plan of furniture.

During the fiscal year 1947, the Postmaster General shall make quarterly reports to the Senate and House Committees on Appropriations, showing for each quarter the amount paid from each appropriation for overtime, the number of employees receiving such overtime, and the number of hours of overtime worked by such employees, together with a statement as to the necessity for such overtime work.

Deficiency in postal revenues: If the revenues of the Post Office Department shall be insufficient to meet the appropriations made under title II of this Act, a sum equal to such deficiency in the revenues of such Department is hereby appropriated, to be paid out of any money in the Treasury not otherwise appropriated, to supply such deficiency in the revenues of the Post Office Department for the fiscal year ending June 30, 1947, and the sum needed may be advanced to the Post Office Department upon requisition of the Postmaster General.

This title may be cited as the "Post Office Department Appropriation Act, 1947".

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. This Act may be cited as the "Treasury and Post Office Departments Appropriation Act, 1947".

Approved July 20, 1946.

